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SUMMARY RECORD OF THE 55th MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 128: FINANCING OF THE UNITED NATIONS PROTECTION FORCE, THE UNITED NATIONS CONFIDENCE RESTORATION OPERATION IN CROATIA, THE UNITED NATIONS PREVENTIVE DEPLOYMENT FORCE AND THE UNITED NATIONS PEACE FORCES HEADQUARTERS (continued)

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The meeting was called to order at 6.45 p.m.

AGENDA ITEM 114: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued)

Draft decision A/C.5/50/L.39

1. Mr. ABELIAN (Armenia), Vice-Chairman, introduced draft decision A/C.5/50/L.39 entitled "Implementation of procurement reform in the United Nations Secretariat" and proposed that it should be adopted without a vote.

2. Draft decision A/C.5/50/L.39 was adopted.

3. Mrs. ARCHINI (Italy), speaking on behalf of the European Union, encouraged the Secretary-General to continue his efforts to establish an efficient, responsible and transparent procurement process. She welcomed the decision to request the Secretary-General to submit, at the fifty-first session, a comprehensive report on procurement reform in the United Nations Secretariat, and regretted that the Secretary-General had not been authorized to appoint a director with the necessary experience and qualifications in the field of procurement. The European Union supported the concept that, in awarding contracts for procurement of goods and services, preference should be given, among equally qualified vendors and without prejudice to relevant resolutions of the General Assembly, to vendors from countries not in arrears with their contributions. It was regrettable that no agreement had been reached on that issue. The European Union would continue to pursue that concept in every forum of the Organization where the subject was under consideration.

4. Mr. GRANT (United States of America) welcomed the progress that had been achieved on procurement reform. His delegation regretted that the Committee had been unable to reach agreement on a more comprehensive draft resolution, due in part to a lack of agreement on a proposed paragraph that, in his delegation's view, was a departure from the issues that had been included in the report of the group of experts, the report of the Secretary-General and the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ). The proposed paragraph would have called on the Secretary-General to give preference, when awarding contracts and under certain conditions, to Member States based on their payment record. United Nations procurement decisions should be made on the basis of open competition and fair process; to introduce other elements unrelated to price, quality, delivery times or other such relevant factors could result in reduced competition, higher costs and reduced quality. Further, such a proposal could be seen as tantamount to imposing upon Member States penalties beyond those provided for in the Charter. He recognized that a number of delegations attached importance to the proposal, and he hoped that the discussion of that issue would not obstruct the important goal of making progress in procurement reform.

5. Mr. ODAGA-JALOMAYO (Uganda) also regretted that the Committee had not reached agreement on a resolution dealing with more substantive matters and looked forward to the comprehensive report by the Secretary-General. He hoped

that in the implementation of procurement reform the Secretariat would take account of some of the pending issues regarding procurement, particularly in respect of Administrative Tribunal judgement No. 744 of 22 November 1995, which had not so far been implemented, but which, if implemented, would strengthen the Purchase and Transportation Service.

AGENDA ITEM 120: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS (continued)

Draft resolution A/C.5/50/L.38

6. Mr. KELLY (Ireland) introduced draft resolution A/C.5/50/L.38 and drew attention to two revisions which had been agreed on in informal consultations. Paragraph 10 had been deleted and replaced by the following: "Reaffirms the obligation of Member States under Article 17 of the Charter to bear the expenses of the Organization as apportioned by the General Assembly". In the first line of paragraph 11, the words "procedures to apply when considering" had been replaced by "procedural aspects for consideration of". He introduced the operative paragraphs of the draft resolution and recommended that the Committee should adopt it.

7. Draft resolution A/C.5/50/L.38 was adopted.

8. Ms. PEÑA (Mexico) said that her delegation had not opposed the consensus in the Committee on exempting the countries indicated in the draft resolution from the provisions of Article 19 of the Charter. Nevertheless, it was paradoxical that the General Assembly should grant so many exemptions in such a serious payments crisis as that being experienced by the Organization. The granting of such exemptions without uniform or defined criteria and without a payments plan to meet the debts ran counter to the spirit of Article 19 of the Charter.

9. Mr. HO (Singapore) said that during the informal consultations on the item his delegation had pointed out the danger of granting large numbers of waivers to the application of Article 19 of the Charter. The financial crisis was caused by the failure of Member States to pay their assessed contributions in full and on time. Each time a Member State was exempted from the provisions of Article 19 - the sole mechanism to ensure payment of assessed contributions by Member States - the Organization was brought one step closer to financial ruin. His delegation reaffirmed its support for the work of the Committee on Contributions. Regarding the draft resolution before the Committee, he supported the temporary exemption of Tajikistan from the application of Article 19 in view of the new information submitted since the special meeting of the Committee on Conferences, and hoped that the situation in that country would improve. In the case of Comoros, his delegation noted that the Committee on Contributions had not been able to consider its situation and he supported a temporary waiver pending consideration of its request by the Committee on Contributions. Exemptions to the application of Article 19 should be granted only in truly exceptional circumstances. They should not become commonplace or a convenient way out for Member States to avoid paying their assessed contributions; otherwise any plan to improve the financial situation of the United Nations would be doomed to failure.

AGENDA ITEM 136: FINANCING OF THE INTERNATIONAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF THE FORMER YUGOSLAVIA SINCE 1991 (continued)

Draft resolution A/C.5/50/L.35

10. Ms. ROTHEISER (Austria) introduced draft resolution A/C.5/50/L.35, by which the Secretary-General would be authorized to enter into commitments in the amount of $8,619,500 gross ($7,637,500 net) for the period from 1 April to 30 June 1996, to allow the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 to continue its activities. She trusted that the draft resolution would be adopted without a vote.

11. Draft resolution A/C.5/50/L.35 was adopted.

AGENDA ITEM 160: FINANCING OF THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR GENOCIDE AND OTHER SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF RWANDA AND RWANDAN CITIZENS RESPONSIBLE FOR GENOCIDE AND OTHER SUCH VIOLATIONS COMMITTED IN THE TERRITORY OF NEIGHBOURING STATES BETWEEN 1 JANUARY AND 31 DECEMBER 1994 (continued)

Draft resolution A/C.5/50/L.36

12. Mr. HANSON (Canada), reporting on the informal consultations held on draft resolution A/C.5/50/L.36, said that commitments had been authorized to the end of June. Further, the draft resolution would decide that Member States should waive their respective shares in the credits arising from previous budgets of the United Nations Assistance Mission for Rwanda in the total amount of $3,804,950 gross ($3,545,300 net) and that an equivalent amount should be apportioned among Member States in accordance with the scale of assessments for the year 1996. He trusted that the draft resolution would be adopted without a vote.

13. Ms. GRAHAM (United States of America) clarified that the amount authorized for the continued operation of the International Tribunal for Rwanda for the period from 1 April to 30 June 1996 was $7,609,900 gross.

14. Draft resolution A/C.5/50/L.36 was adopted.

15. Mr. TAKASU (Controller) said, in connection with draft resolution A/C.5/50/L.36, that the amount authorized for the period 1 April-30 June 1996 was not enough to cover immediate requirements, taking into account the fact that the International Tribunal for Rwanda had embarked on an operational stage. The Committee had not taken into account significant commitments not related to personnel, such as construction of chambers for the Tribunal, cells, and renovation of offices and the Arusha centre. All available resources would be utilized wisely so that the Tribunal could carry out the scheduled activities. Regarding detailed information on voluntary contributions to the Trust Fund for the International Tribunal for Rwanda requested by some delegations, the Budget Division had prepared a table that would be circulated shortly.

16. The CHAIRMAN said that the Committee had concluded the current stage of its consideration of those items and requested the Rapporteur to report directly thereon to the General Assembly.

AGENDA ITEM 138: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(a) FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued) (A/C.5/50/L.40, A/C.5/50/L.42 and A/C.5/50/L.44)

(b) RELOCATION OF UKRAINE TO THE GROUP OF MEMBER STATES SET OUT IN PARAGRAPH 3 (c) OF GENERAL ASSEMBLY RESOLUTION 43/232 (continued) (A/C.5/50/L.41)

17. Mr. MADDENS (Belgium), Rapporteur, introduced the draft resolutions and recommended that they should be adopted without a vote. By draft resolution A/C.5/50/L.41, on the reclassification of Ukraine to group C for the scale of assessments for peace-keeping operations, the General Assembly would note the decision by Greece to increase its contribution to peace-keeping operations through its reclassification, over five years, from group C to group B. That increase would offset the reduction in the amounts to be assessed on Ukraine through its reclassification from group B to group C. The draft resolution also stressed that such reclassifications did not result in any change in the assessments for financing peace-keeping operations of other Member States and took note of the intention stated by Ukraine on 29 March 1996 in the Fifth Committee concerning the settlement of its arrears.

18. With regard to draft resolution A/C.5/50/L.40 on reform of the procedure for determining reimbursement to Member States for contingent-owned equipment, he noted that the General Assembly, in section II of its resolution 49/233, had authorized the Secretary-General to enter into consultations with Member States with a view to arriving at the proposals now before the Committee. The draft resolution would decide that the reformed procedures should be in place as of 1 July 1996 on the basis of the recommendations contained in the report of the Working Group and in the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), which meant that all new requests for reimbursement could be submitted in accordance with the old or new procedures, at the discretion of troop-contributing countries.

19. With regard to draft resolution A/C.5/50/L.44 concerning death and disability benefits, it had become clear after the deliberations at the current session that the insurance option had not been studied sufficiently; the Secretary-General was therefore requested to make a further study of all the options, for submission to the General Assembly.

20. With regard to the support account for peace-keeping operations, the Committee had been asked to consider three questions, namely, the continuation until 30 June 1996 of the posts financed from that account, the establishment of a new funding arrangement for the support account after 1 July 1996, and the appropriation of the necessary resources to support peace-keeping operations in 1996-1997. Draft resolution A/C.5/50/L.42 was concerned with the first question. With regard to the other questions, the Committee felt that, in line

with the Secretary-General's recommendation, no decisions could be taken until the Committee had before it the budgets for all the peace-keeping operations for the period from 1 July 1996 to 30 June 1997. Meanwhile, the mechanisms established for the support account would remain in force until 30 June 1996, which would enable the Committee to take the necessary decisions at the second part of its resumed session.

21. Draft resolutions A/C.5/50/L.40, A/C.5/50/L.42 and A/C.5/50/L.44 were adopted.

22. Mrs. GRAHAM (United States of America) said that draft resolution A/C.5/50/L.42 represented a good bridging mechanism until May 1996. Her delegation wished to make it clear that the 61 temporary posts which had been authorized should not be extended beyond 30 June 1996 and that the Secretary-General should address the anomalies which had been identified and make proposals, for example on strengthening the Mission Planning Service without weakening other areas of the Department of Peace-keeping Operations. In the interim, the use of support account funds to finance the lease of buildings and Advisory Committee posts was not authorized, and the funds allocated to support the Mission Planning Service and the Office of Internal Oversight Services would be maintained.

23. Her delegation looked forward to a non-pressured discussion of the outstanding issues and a thorough analysis, unit by unit, of the methodology proposed and the posts identified in the report of the Secretary-General. It must be ensured that the Department of Peace-keeping Operations had resources available to fulfil its mandate. Her delegation would therefore continue to question the use of support account resources to finance non-Department of Peace-keeping Operations activities, especially the leasing of property.

24. Mr. TAKASU (Controller), explaining the Secretariat's position on draft resolution A/C.5/50/L.42, said that the Secretary-General, in his report (A/50/876), expressed the hope that the General Assembly would ensure the adequate and predictable annual level of resources necessary to meet the minimum backstopping requirements at Headquarters, based on the outcome of the comprehensive review. The Department of Peace-keeping Operations could not operate alone, but needed administrative, legal and financial backstopping. There were other departments which provided considerable backstopping to peace-keeping operations. Because of the existing mechanism, the Secretary-General encountered serious problems in making long-term plans, informing personnel recruited for short periods about extensions of their contracts and adopting measures with regard to available posts. The postponement to May 1996 of the approval of the Secretary-General's proposals made planning extremely difficult. Under the draft resolution, the Secretary-General was authorized to extend until 30 June 1996 the 61 temporary posts authorized in paragraph 12 of General Assembly resolution 49/250 and it was decided that the measures introduced by the Secretary-General in connection with the regular budget would not be extended to those posts. The Secretary-General had to implement the provisions of the draft resolution, but also had to take into account the decisions taken earlier by the General Assembly regarding the use of the support account, in particular in resolution 49/250, in which the General Assembly had decided that the Secretary-General was responsible for ensuring that expenditure remained

within the level of income. Currently, of the 408 posts authorized, 370 were filled, including the 61 posts mentioned earlier. In order to maintain the 370 posts during the period from 1 January and 30 June 1996, it was estimated that $16 million was needed, and that amount was not available. According to the income estimate made under the existing methodology, only $11.6 million was available. The only possible way for the Secretary-General to finance the 370 posts which were filled was to transfer funds from the operating reserve.

Draft resolution A/C.5/50/L.41

25. Mr. HO (Singapore) said that his delegation was willing to support draft resolution A/C.5/50/L.41 on the understanding that it marked the beginning of Ukraine's reclassification to group C without establishing when Ukraine would become a full-fledged member of that group. Pending a final solution of the matter, Ukraine's assessment for the financing of peace-keeping operations would be reduced by an amount equivalent to the increase in the amount assessed on Greece. Any shortfall would have to be borne by Ukraine.

26. Draft resolution A/C.5/50/L.41 was adopted.

27. Mr. GRANT (United States of America) commended Greece for its voluntary decision to be reclassified from group C to group B for the apportionment of the expenses of peace-keeping operations and expressed the hope that other members would follow suit. Although it had joined the consensus, his delegation had reservations about Greece's intention to effect the reclassification gradually over several years rather than immediately and about the plan to reduce Ukraine's assessed contribution to match the increase in Greece's assessed contributions. The General Assembly had once again approved a small adjustment to the scale of assessments for peace-keeping operations when what was needed was a complete overhaul. His Government felt that it was crucial to include in the resolution a paragraph indicating that the decision would be adjusted as appropriate to conform to relevant decisions that might be adopted in the future. The cause of the problem faced by Ukraine was that the grouping system for the apportionment of the expenses of peace-keeping contributions did not work. The step between group C and group B was too large; there were too many countries with widely differing economic circumstances that were in the same group and the 80 per cent discount for group C members was too large and was provided to far too many States. There were no objective criteria for determining which countries were placed in one group or another and because the methodology was too rigid, it was very difficult to make changes which were justified by changing economic circumstances. There should be no groups, but individual assessment rates based on realistic criteria. The scale of assessments needed to be revised so that assessments were made in a balanced and equitable manner. If the General Assembly did not revise the current system soon, the Committee would receive further appeals for reclassification from Member States. The scale of assessments for the financing of peace-keeping operations was one of the issues on the agenda of the High-level Open-ended Working Group on the Financial Situation of the United Nations, which would have several meetings in spring 1996. His Government hoped that the consideration of the issue would be given top priority.

28. Mr. GOUMENNY (Ukraine) expressed his delegation's satisfaction at the adoption of the draft resolution. The apportionment of costs among all Member States in accordance with their capacity to pay was a prerequisite for stability in financing United Nations peace-keeping operations. Its delegation also expressed its great appreciation of the voluntary decision taken by Greece to move to group B in order to enable the transition of Ukraine to group C. In that connection, the draft resolution only started the process of Ukraine's transition to group C. His delegation hoped that the Fifth Committee would manage to find a final solution to that important issue.

29. Mr. KYVETOS (Greece) welcomed the fact that the Committee had found a satisfactory solution to one of the most difficult issues it had faced in recent times.

30. Mr. DEINEKO (Russian Federation) welcomed the adoption of the draft resolution and noted that Ukraine's assessments for the financing of peace-keeping operations and the regular budget were not in line with its capacity to pay. Its consequential arrears amounted to several hundred million dollars, which contributed to the worsening of the Organization's financial situation. He also welcomed the contribution Greece had made to solving the problem. His delegation wished to point out, however, that the issue was only partially resolved. As the delegation of the United States had noted, the current scale of assessments for peace-keeping operations bore absolutely no relationship to the real situation. The system of apportionment by groups of countries adopted over 20 years earlier was no longer valid. The number of countries granted waivers to the application of Article 19 of the Charter increased every year and required the adoption of decisions on a case-by-case basis. The existing methodology for the apportionment of contributions to the United Nations was unjust and did not reflect countries' true capacity to pay. For all those reasons, the High-level Open-ended Working Group on the Financial Situation of the United Nations must bring some order to the system of apportionment of the expenses of the Organization and establish a solid foundation for its operations.

31. Ms. ALMAO (New Zealand) commended the decision by Greece to accept a higher assessed contribution to the financing of peace-keeping operations, since that decision would help to strengthen the financial situation of the Organization and make it possible to correct the situation of Ukraine, which had so far been assessed at an excessively high rate. It was in any event an exceptional measure, employed only three times since 1989, but the problems addressed in draft resolution A/C.5/50/L.41 were not peculiar to Ukraine. Other Member States were affected by the financial burden which the current system of apportionment of the expenses of peace-keeping operations imposed. New Zealand reiterated its position, expressed six months earlier, that the General Assembly must consider, as a matter of the greatest urgency, the points of view of all States affected by the anomalies in the current system, which imposed on them assessments that did not fairly reflect their capacity to pay. New Zealand wished to join in the efforts to find a solution to that problem, and to that end, had submitted a package of proposals in the High-level Open-ended Working Group on the Financial Situation of the United Nations. Other delegations had also submitted important proposals in that regard which should be given consideration so as to resolve the issue without delay.

32. Mr. GHOKALE (India) welcomed the decision to reclassify Ukraine to group C, but deplored the difficulties encountered in adopting the decision after a considerable delay. India reiterated its support for the application of the system for the apportionment of expenses for the financing of peace-keeping operations and noted that the Group of 77 and China also shared that position. However, draft resolution A/C.5/50/L.41 would have no effect on the work of the High-level Open-ended Working Group on the Financial Situation of the United Nations, which was concerned with various issues of another type.

33. Mr. ATIYANTO (Indonesia) supported the statement by the representative of India.

34. Ms. PEÑA (Mexico) said that her delegation also supported the statement by the representative of India. She recalled that the Netherlands had not yet received a reply to its request, made at the beginning of the fiftieth session of the General Assembly, to classify the Czech Republic and Slovakia in one of the groups of the special scale of assessments for the financing of peace-keeping operations, so that those countries could make appropriate contributions. Mexico urged the Committee to consider that matter as soon as possible.

35. The CHAIRMAN said that informal consultations would be held on that matter and that the Committee would resume its consideration of the question at a later date. He took it that, after the adoption of draft resolution A/C.5/50/L.41, draft decision A/C.5/50/L.9 and draft resolution A/C.5/50/L.32 were withdrawn by their respective sponsors.

36. It was so decided.

AGENDA ITEM 128: FINANCING OF THE UNITED NATIONS PROTECTION FORCE, THE UNITED NATIONS CONFIDENCE RESTORATION OPERATION IN CROATIA, THE UNITED NATIONS PREVENTIVE DEPLOYMENT FORCE AND THE UNITED NATIONS PEACE FORCES HEADQUARTERS (continued)

AGENDA ITEM 167: FINANCING OF THE UNITED NATIONS MISSION IN BOSNIA AND HERZEGOVINA (continued)

AGENDA ITEM 168: FINANCING OF THE UNITED NATIONS TRANSITIONAL ADMINISTRATION FOR EASTERN SLAVONIA, BARANJA AND WESTERN SIRMIUM (continued)

AGENDA ITEM 169: FINANCING OF THE UNITED NATIONS PREVENTIVE DEPLOYMENT FORCE (continued)

Draft decision A/C.5/50/L.37

37. Mr. ABELIAN (Armenia), Vice-Chairman, introduced draft decision A/C.5/50/L.37. In the draft decision, the General Assembly would decide, on an exceptional basis, to authorize the Secretary-General to enter into commitments in the amount of US$ 100 million gross for the pre-liquidation of the United Nations Protection Force (UNPROFOR), the United Nations Confidence Restoration Operation in Croatia (UNCRO) and the United Nations Peace Forces Headquarters, as well as the maintenance of the United Nations Transitional Administration for

Eastern Slavonia, Baranja and Western Sirmium (UNTAES), the United Nations Mission in Bosnia and Herzegovina (UNMIBH) and the United Nations Preventive Deployment Force (UNPREDEP) for the period from 1 January to 31 May 1996. The General Assembly would also decide, as an ad hoc arrangement, to assess the amount of $50 million gross to the Special Account established by General Assembly resolution 46/233. The draft decision was the result of informal consultations held on agenda items 128, 167, 168 and 169, and he recommended that the Committee should adopt it by consensus. During the first week of May, at the second part of its resumed session, the Committee would conduct a detailed examination of the cost estimates for those operations for the period from 1 January to 30 June 1996, as indicated in paragraph (d) of the draft decision, on the basis of full documentation, including the report of the Advisory Committee on Administrative and Budgetary Questions and other related reports.

38. Draft decision A/C.5/50/L.37 was adopted.

AGENDA ITEM 116: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued)

Report on unforeseen and extraordinary expenses

39. Mr. AMARI (Tunisia), Vice-Chairman, said that the members of the Committee had decided in informal consultations to postpone consideration of that matter until the second part of the resumed fiftieth session of the General Assembly.

40. It was so decided.

Conditions of service and compensation for officials, other than Secretariat officials, serving the General Assembly: full-time members of the International Civil Service Commission and the Chairman of the Advisory Committee on Administrative and Budgetary Questions (continued)

Draft resolution A/C.5/50/L.43

41. The CHAIRMAN drew the Committee's attention to a draft resolution (A/C.5/50/L.43) submitted by him under agenda item 116. He requested interested delegations to inform the Committee of the outcome of the informal consultations on the draft resolution.

42. Mr. MARRERO (United States of America) said that his delegation was not ready to take a decision on the matter at that meeting since, owing to the fact that the draft resolution had been circulated on the day of the meeting, and thus without sufficient notice, his delegation had not had time to give it proper consideration. He proposed that consideration of the question should be deferred to the second part of the resumed session, to be held in the first week of May 1996, so that a consensus decision could be taken in accordance with the Committee's practice.

43. Ms. RODRIGUEZ ABASCAL (Cuba) asked why it was necessary to take a decision requesting full implementation of paragraphs 3 and 4 of section III of General Assembly resolution 46/192, as provided for in the draft resolution before the

Committee, if there was no resolution contradicting the provisions of resolution 46/192. On the basis of the explanations given by the Secretariat on previous occasions when the Committee had considered the question, her delegation had understood that it was not necessary to take further decisions on the matter, but, rather, to apply the provisions that all Member States had approved in resolution 46/192.

44. Mr. OWADE (Kenya) said that his delegation would regret any failure to take a decision at that meeting, once the Secretariat had replied to the question raised by the delegation of Cuba.

45. Mr. TAKASU (Controller) said that the Secretariat was guided in the matter under consideration by the decisions of the General Assembly, in particular the provisions of paragraphs 3 and 4 of section III of resolution 46/192, which provided that the pensionable remuneration of full-time members of the International Civil Service Commission and the Chairman of the Advisory Committee on Administrative and Budgetary Questions should be adjusted between comprehensive reviews in accordance with the procedure applicable for adjustment of the scale of pensionable remuneration of staff in the Professional and higher categories.

46. Ms. RODRIGUEZ ABASCAL (Cuba) said that on the basis of the Controller's statement she concluded that there was no need to adopt a new draft resolution since the Secretariat was being guided by the provisions of General Assembly resolution 46/192.

47. Mr. MARRERO (United States of America) said that it was his understanding that draft resolution A/C.5/50/L.43 had been submitted at the request of the Chairman. If the Secretariat was already being guided by the provisions of resolution 46/192, he asked what the purpose was of submitting a draft resolution on the question. If it were necessary to take a new decision, that would suggest that the provisions of resolution 46/192 had not so far been applied; should that be the case, he would request an explanation from the Secretariat.

48. The CHAIRMAN said that it was his understanding that the proposal to submit draft resolution A/C.5/50/L.43 had originated with delegations.

49. Mr. MOKTEFI (Algeria) said that, on the basis of the explanations provided by the Secretariat, his delegation considered that the provisions of General Assembly resolution 46/192 were applicable to the officials in question and called for those provisions to be observed.

50. Mr. ODAGA-JALOMAYO (Uganda) urged the Secretariat to reply to the question put by the representative of the United States.

51. Mrs. EMERSON (Portugal) said that the Committee had debated the issue at some length when it had first been considered. She saw no purpose in continuing the discussion at that meeting, since all the members of the Committee appeared to agree that there was no need to adopt the draft resolution before it. She proposed that consideration of the question should be ended.

52. Mr. MARRERO (United States of America) said that, in responding to the question put previously by his delegation, the Controller might clarify whether funding was available in the budget adopted to cover the financial implications of the measures proposed in draft resolution A/C.5/50/L.43.

53. Mr. ODAGA-JALOMAYO (Uganda) agreed with the representative of Portugal. The informal consultations had been more than adequate and the explanation by the Secretariat extremely clear. Accordingly, he proposed that the Committee should take no action on draft resolution A/C.5/50/L.43 and moved the closure of the debate.

54. Ms. RODRIGUEZ ABASCAL (Cuba) and Mr. TOURE (Mali) seconded the motion proposed by the representative of Uganda.

55. Mr. MARRERO (United States of America) said that he had yet to receive any answer to his questions and that he could not take part in any decision without clarification, in view of which he did not support the Ugandan motion.

56. Mr. TAKASU (Controller) said that draft resolution A/C.5/50/L.43 had not been prepared by the Secretariat but by the Committee Bureau. The information requested by the representative of the United States appeared in the relevant report of the Secretary-General (A/C.5/50/12), which indicated how the financial implications that would arise should the draft resolution be adopted would be met. If no action were taken on the draft resolution, the provisions of General Assembly resolution 46/192, which were extremely clear, would continue to be applied.

57. Ms. PEÑA (Mexico) said that since there was no consensus on the motion a vote should be taken so as to close the matter.

58. Mr. ELZIMAITY (Egypt) supported the representative of Mexico since, in accordance with established procedure, no other matter could be taken up until a decision was taken on the motion.

59. Mr. MARRERO (United States of America) said that, regarding procedure, the draft resolution had not been submitted in accordance with rule 24 of the rules of procedure of the General Assembly, since it had been received only a few hours before the meeting. Further, invoking rule 77 of the rules of procedure, he proposed a motion for suspension of the meeting.

60. The CHAIRMAN said that the motion proposed by the delegation of Uganda had precedence over that proposed by the United States.

61. Mr. MARRERO (United States of America) said that the motion proposed by the representative of Uganda assumed that the draft resolution had been formally submitted in accordance with proper procedure, but, under the provisions of rule 24 of the rules of procedure, that was not the case.

62. The CHAIRMAN invited the Committee to vote on the motion proposed by the representative of Uganda.

63. The motion was adopted by 46 votes to 1, with 1 abstention.

64. Mr. MARRERO (United States of America) asked the Chairman to rule on whether a quorum was necessary to proceed to a vote.

65. Mr. ACAKPO-SATCHIVI (Secretary of the Committee) said that no quorum was needed to vote on a procedural issue.

66. Mr. MARRERO (United States of America) said that his delegation reserved its position on the matter, since paragraphs 17 and 18 of document A/C.5/50/12 seemed to indicate that there was no clear source of funding to meet the financial implications.

The meeting rose at 8.40 p.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

FIFTH COMMITTEE
56th meeting
held on
Monday, 6 May 1996
at 3 p.m.
New York

SUMMARY RECORD OF THE 56th MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 3.15 p.m.

ORGANIZATION OF WORK

1. The CHAIRMAN invited the Committee to consider the tentative programme of work for the second part of the resumed fiftieth session.

2. Ms. RODRIGUEZ ABASCAL (Cuba) said that the Committee should defer its consideration of the report of the Secretary-General on reform of the internal system of justice until it had received the views of the Sixth Committee.

3. The CHAIRMAN said that the matter was the subject of ongoing informal consultations.

4. Mr. MANCINI (Italy), speaking on behalf of the European Union, welcomed the inclusion of the financing of the missions operating in the territory of the former Yugoslavia in the first week. Despite their importance, those missions were operating on the basis of commitment authority without full financing and without complete assessment of the funds authorized. At the first part of the resumed session the Committee had decided to undertake a detailed review of the cost estimates for those missions for the period 1 January-30 June 1996 by 10 May. Accordingly he wished to know what the Bureau intended to do to ensure prompt action, since, as matters stood, financing would not be approved until the end of May.

5. Mr. ACAKPO SATCHIVI (Secretary of the Committee) said that the Advisory Committee's report on the four missions had not yet been issued, and that the Committee could not take action without that report. The Bureau would see whether it would be possible to rearrange the programme to expedite consideration of the matter.

6. Mr. ABELIAN (Armenia) noted that the current commitment authority of $100 million provided financing until the end of May.

7. Ms. ALMAQ (New Zealand) said that the General Assembly, in its resolution 49/233, had asked the Secretariat to issue a table twice a year summarizing the budgetary requirements of all peace-keeping operations. That had not been done, although it would certainly facilitate the Committee's work at the resumed session.

8. Mr. TAKASU (Controller) said that a table indicating the total cost estimates for all peace-keeping operations would be issued shortly.

9. The CHAIRMAN said that he took it that the Committee wished to proceed in accordance with the tentative programme of work, on the understanding that any adjustment that might be required would be made during the course of the resumed session.

10. It was so decided.

AGENDA ITEM 122: FINANCING OF THE UNITED NATIONS PEACE-KEEPING FORCES IN THE MIDDLE EAST (continued) (A/50/694/Add.1)

(a) UNITED NATIONS DISENGAGEMENT OBSERVER FORCE (continued) (A/50/386/Add.1)

(b) UNITED NATIONS INTERIM FORCE IN LEBANON (continued) (A/50/543/Add.1)

11. Mr. TAKASU (Controller) said that the cost estimates for the United Nations Disengagement Observer Force (UNDOF) and the United Nations Interim Force in Lebanon (UNIFIL) were the first to be prepared in accordance with the new budget cycle of 1 July-30 June, applicable to all peace-keeping operations. The documents also reflected a new format based on the use of standard costs and ratios.

12. The cost estimates for UNDOF for the period 1 July 1996-30 June 1997, amounting to $31.4 million gross ($30.5 million net), reflected an overall decrease of 2.3 per cent gross compared with the preceding 12-month period, mainly due to the anticipated transfer of vehicles and equipment from liquidated missions and the exclusion of the provision for the support account. Action had recently been taken to reimburse troop costs to August 1995.

13. The cost estimates for UNIFIL for the period 1 July 1996-30 June 1997, totalling $122.7 million gross ($119.7 million net), reflected a 7.4 per cent decrease over the preceding 12-month period as a result of a reduction in average troop strength to 4,513 and the exclusion of the provision for the support account. The funding of local staff in the kitchens and workshops under general temporary assistance would be kept under review.

14. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) noted that the Secretary-General, in preparing the reports on the financing of peace-keeping operations before the Committee, had followed the suggestions and recommendations made by the Advisory Committee in its report on the mock-up budget for peace-keeping operations (A/50/319). While the Advisory Committee welcomed the new format as being more user-friendly, there was still considerable room for improvement.

15. In particular, there was a need to explain much more clearly the relationship between mandates, operational plans and related resources; to explain fully changes and variations between previous expenditure and proposed estimates; to streamline further tabular and narrative presentations; and to refine the presentation of voluntary contributions for budgeted and non-budgeted items, including the consistent application of the procedures set out in General Assembly resolutions 43/230 and 44/192 and in paragraphs 36 and 37 of the Advisory Committee's report contained in document A/44/725.

16. The Advisory Committee had noted the deletion by the Secretariat from the reports of the relevant support account amounts, on the assumption that the recommendations on the new method of budgeting and assessment for the support account would be approved by the General Assembly. ACABQ had nevertheless requested information on the amounts that would have been included had the

Secretariat followed the old procedure for estimating support account requirements.

17. The new financial year starting 1 July 1996 would require a change in the auditing cycle. The Advisory Committee intended to exchange views with the Board of Auditors to discuss the implications of switching from a biennial to an annual audit report for peace-keeping operations.

18. The absence of the final copy of the standard cost manual had made it difficult for the Advisory Committee to relate requests for funds to data in the standard ratio/cost manual. In future the manual should be made available to ACABQ as it examined peace-keeping budgets. In many instances, for example, the percentages for the estimates for mission-specific items had varied from those reported as contained in the standard cost ratios manual. It had appeared to the Advisory Committee that the ratios in the standard cost manual, for example, ratios of vehicles to personnel, had been altered to conform to the number of vehicles actually in the mission area, with the change being explained as due to operational requirements. The Secretariat should clarify the elements used in the calculation of mission-specific requirements.

19. The Advisory Committee's comments in its report on UNDOF/UNIFIL (A/50/694/Add.1) on the absence of performance reports for those missions also applied to estimates for other missions reported on by ACABQ. As the Advisory Committee had previously noted, it should have before it budget performance for previous periods and the latest financial data for the period in progress. Such timing of performance reports would enable ACABQ to submit recommendations to the General Assembly taking into account accurate budgetary performance reports and data for previous financial periods. The new budget and financial cycle should reduce problems in that regard. Taking into account the structure and content of the new budget format, future financial performance reports should provide information comparing the various indicators used to prepare the estimates with the outcome of budget implementation. He trusted that the information requested by ACABQ but not submitted in time, including a comprehensive table indicating total budgets and both military and civilian personnel for all peace-keeping operations, would be provided to the Fifth Committee.

20. As noted in the Advisory Committee's report on UNDOF/UNIFIL (A/50/694/Add.1), the United Nations Truce Supervision Organization (UNTSO), which was funded from the regular budget, had provided 81 military observers to UNDOF and 57 to UNIFIL, although the related cost of $21.3 million was not reflected in the budgets of those two missions.

21. The new format had brought out clearly the need to develop effective means of managing inventory and monitoring assets. The Advisory Committee had made frequent comment on the inadequacy of presentation and justification for estimates for new vehicles, equipment, furniture and other assets. The lack of a proper inventory management system made it impossible to ascertain what was currently available to the United Nations before additional funds were requested for the purchase of new assets or the replacement of existing stock. The Advisory Committee would make further recommendations after reviewing the report of the Secretary-General on asset management.

22. Lastly, he noted that ACABQ had prepared its reports in the majority of cases on the basis of an unedited advance text in English. That situation was not satisfactory, and did not imply that members of ACABQ had waived their right to consider documents in all official languages. Further, the information examined by ACABQ had been that presented to it in the reports of the Secretary-General and by his representatives, and subsequent events affecting estimates of expenditure had not therefore been taken into account. Nevertheless, pursuant to General Assembly resolution 49/233, the monthly authorization recommended by the Advisory Committee would ensure that no assessment was made on Member States beyond that required to implement specific mandates authorized by the Security Council.

23. Mr. ELZIMAITY (Egypt) noted that the Advisory Committee's report dated from March 1996, but that UNIFIL headquarters had been attacked and heavily damaged in April. He asked what the estimated amount of damage was, when the General Assembly would be informed as to its extent, and whether the $53 million appropriation mentioned in the report of ACABQ would cover the repairs.

24. Mr. AMARI (Tunisia) said that his delegation associated itself with the concerns expressed regarding the damage to UNIFIL headquarters which had occurred on 18 April. He would like to know if the cost of repairs was reflected in the report of the Secretary-General.

25. Mr. TAKASU (Controller) said that the cost estimates in the report of the Secretary-General dated from February 1996; the additional costs relating to the recent damage had not been taken into account. If possible, the additional requirements for premises and construction would be dealt with within the budget as submitted. If there was not enough flexibility to accommodate those requirements in the current budget, the provision for unforeseen expenses would be used, or if necessary, revised estimates would be submitted. He was awaiting the report from the Mission regarding the extent of its requirements for repairs.

AGENDA ITEM 123: FINANCING OF THE UNITED NATIONS ANGOLA VERIFICATION MISSION (continued) (A/50/651/Add.3, A/50/814/Add.1 and Corr.1)

26. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the financing of the United Nations Angola Verification Mission (UNAVEM III) (A/50/651/Add.3), said that the Mission had been established by the Security Council in February 1995, and that its most recent mandate had been extended for three months until 8 May 1996. The proposed budget for a 12-month extension from 1 July 1996 through 30 June 1997 amounted to $335.1 million gross, which represented a 1 per cent increase. One of the factors involved in the increase was a proposed change in staffing structure, as set out in table 3 of the Secretary-General's report. The overall number of staff had not changed, but 52 local staff would be replaced by 52 international staff in order to strengthen the supervision of the tasks performed by the logistic support services contractor, as explained in paragraph 23. Reductions had been achieved in the areas of transportation and communications, fixed-wing air operations, mine clearance and demobilization and through the elimination of the naval force. Because of the changes in staffing, however, increases would be required for accommodation, supply and services.

27. In paragraph 35 of his report, the Secretary-General was requesting the appropriation of $84.6 million gross, which included $47.9 million to cover the period from 9 May to 30 June. Should the Security Council decide to extend the mandate of UNAVEM beyond 1 July 1996, the amount of $335.1 million gross would be required. It was important to note that the proposal to reduce local posts by 52 was linked to an increase in international staff; therefore, the Advisory Committee's recommendation to reject the increase of 52 international staff would not be workable.

28. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the report of the Advisory Committee (A/50/814/Add.1). As indicated in paragraph 4, the Controller had requested the concurrence of ACABQ to implement in the period January to June 1996 a number of activities and projects that for various reasons could not be implemented during the period ended 31 December 1995. Total resources for those activities amounted to $9.74 million. The Committee had granted the Controller the authority he sought, subject to the conditions listed in paragraph 5 of its report.

29. Comments on the proposal to abolish 57 posts, of which 52 were local, and to establish 57 international posts, were found in paragraphs 7 and 8. The Advisory Committee had noted that the primary reason to dispense with the 52 local and 5 General Service posts was that they were no longer necessary as a result of the logistic contractor, but that 57 international posts were required in part to provide support services for the supervision and monitoring of the logistic contractor. The Advisory Committee was not fully convinced by that argument, and had previously requested more information on contractual services to UNAVEM, but so far, none had been provided.

30. Election activities had been delayed, and as a result, the Mission was using the related posts to perform administrative duties. Even though ACABQ did not object to that redeployment, especially because of its recommendations in paragraph 8, it would consider whether additional posts would be needed for election purposes at the appropriate time. The Advisory Committee believed that 210 posts was an excessive number to coordinate a humanitarian assistance programme of $145.3 million. The Committee noted that UNAVEM had not been allowed to operate its own radio, but was producing some programmes for broadcast on Angolan radio. That being the case, there was little justification in the report of the Secretary-General for retaining all 36 posts originally requested for UNAVEM radio. In addition, the equipment purchased or transferred for radio operations, as indicated in paragraph 14, illustrated lapses in proper planning. Authority to operate a radio station should have first been obtained before procurement or transfer of equipment, which was currently in storage. The Advisory Committee had recommended approval of additional security personnel and trusted that the equipment in storage and other assets would remain secure. The recommendations of ACABQ could be found in paragraph 25 of its report.

AGENDA ITEM 125: FINANCING OF THE UNITED NATIONS MISSION FOR THE REFERENDUM IN WESTERN SAHARA (continued) (A/50/655/Add.1 and A/50/939)

31. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the financing of the United Nations Mission for the Referendum in Western Sahara

(MINURSO), said that the Security Council, by its resolution 1042 (1996), had extended the mandate of the Mission by four months, to 31 May 1996. The Secretary-General would report in the near future on proposals for its extension past that date, but the report currently before the Committee had been prepared based on the assumption that the current staffing levels would be maintained. The requested appropriation of $52.3 million gross ($48.4 million net) represented a 22 per cent reduction in gross terms. The proposed budget reflected the actual cost of civilian staff and the current high vacancy rate because of changes in operations. In addition, the air operations had been streamlined and reorganized, resulting in cost reductions. In terms of staffing, one additional D-2 post had been requested.

32. If the Mission's mandate was extended for the period from 1 to 30 June 1996, appropriation and assessment of $5.59 million gross was requested. For the 12-month period beginning 1 July 1996, $52.3 million to be assessed at the rate of $4.3 million gross per month, would be required. Changes made by the Security Council in the mandate and size of the Mission could have an impact on costs; in that event, revised estimates would be submitted.

33. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on MINURSO (A/50/939), said that the Mission had been extended to 31 May 1996, and its future depended on action by the Security Council on the report of the Secretary-General, expected by 15 May. However, the Secretary-General had submitted estimates on the assumption that the Mission would be continued, and the Advisory Committee had reviewed the report on that basis. Should the Mission be discontinued, however, the Secretary-General was requested to submit revised estimates to the General Assembly.

34. Because of lack of progress in implementation of the plan of operation, there was a considerable number of vacant posts; the estimates had taken that situation into account by using a vacancy factor of 7.5. However, the vacancy rate might increase, leading to underexpenditure. That should be reflected in future performance reports. The Advisory Committee had welcomed the restructuring of air operations contracts pursuant to its recommendations, and noted that, even though 70 rather than 50 apartments were proposed for rental, costs were lower. However, the Advisory Committee recommended that contracts should be entered into only after ascertaining that operational development would require the deployment of staff to occupy the rented premises. In paragraph 20 of its report, the Advisory Committee recommended approval of the Secretary-General's proposals for appropriations and assessments to maintain the Mission, subject to action by the Security Council.

35. Mr. ZAHID (Morocco) said that, although the Committee's main concern was the administrative and financial aspects of MINURSO, his delegation wished to offer some clarifications regarding the responsibility for the impasse which had been reached in the identification process, as mentioned in paragraph 3 of the report of the Secretary-General. Morocco had accepted the conditions to be met by applicants as established in the report of the Secretary-General of 19 December 1991 (S/23299) and endorsed by Security Council resolution 725 (1991), although its concerns had not been entirely met. The other party, however, had rejected those conditions, despite efforts by the Secretary-General

to accommodate it. Morocco had shown flexibility, and desired to hold the long-awaited referendum as soon as possible.

36. As for the three tribal subgroups mentioned, Morocco had no objection to their inclusion, but the other party was refusing to recognize applicants from those groups.

37. Responsibility for the delay thus having been clearly established, his delegation requested the Secretariat to issue a corrigendum to the Secretary-General's report describing the true situation, in order to avoid any possible ambiguity.

38. Mr. MOKTEFI (Algeria) said that, while the Security Council was a more appropriate forum in which to discuss the substantive issues relating to MINURSO, his delegation reserved the right to comment on the statement made by Morocco at a later date.

AGENDA ITEM 131: FINANCING OF THE UNITED NATIONS PEACE-KEEPING FORCE IN CYPRUS (continued) (A/50/722/Add.1 and A/50/889)

39. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the financing of the United Nations Peace-Keeping Force in Cyprus (UNFICYP) (A/50/722/Add.1), said that in its resolution 47/236 of 14 September 1993, the General Assembly had decided that the costs of the Force for the period from 16 June 1993 that were not covered by voluntary contributions should be treated as expenses of the Organization. The current mandate of UNFICYP would run until 30 June 1996. The estimated cost of maintaining the operation for a 12-month period from 1 July 1996 was $44,119,000 gross, including voluntary payments by the Government of Cyprus, which had agreed to finance one third of the Mission's net operating expenses. The Government of Greece had also pledged $6.5 million for the period; the remaining expenses would therefore be apportioned among the Member States.

40. The Secretary-General was requesting a 1.5 per cent increase in total gross resources for the coming 12-month period, reflecting largely the conversion of locally employed civilian staff to United Nations local staff.

41. As set out in paragraph 38 of the report, the General Assembly was being asked to approve the amount of $44.1 million gross for the maintenance of the Force for the period from 1 July 1996 to 30 June 1997 which included the voluntary contributions of the Governments of Cyprus and of Greece, and to appropriate an amount of $23,595,100 gross for the period 1 July 1996 to 30 June 1997, subject to extension of the Force by the Security Council.

42. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee's report on the financing of UNFICYP (A/50/889) was self-explanatory and he therefore had no further comments to make.

43. Mr. RIVA (Argentina) said that the figure of 1,080 hours for the use of two light observation helicopters provided by the Argentinian contingent represented a maximum, as no minimum had been specified, and that the hire rate for

observation flights was $831, not $900 as stated in the report. Moreover, the increase in estimates for air operations costs for the period under consideration was not due to the helicopters' providing night flying and observation capability, as stated in paragraph 22 of the Advisory Committee's report; rather, the source of the increase was to be found in the use of civilian contractors requested by the United Nations. In any case, the maximum amount to be paid for the helicopter flying hours was approximately $918,000, an amount lower than the lowest figures given in the Advisory Committee's report. He also requested clarification of the figure of $1,182,500 for the period from 16 June to 13 December 1994 given in the Advisory Committee's report as expenditure on that item "prior to the contract with the Argentinian Government", since, in point of fact, Argentinian helicopters had been used starting in October of that year. Moreover, he said that Argentina had received no reimbursement for the services of its helicopters since August of 1995.

44. Mr. ZHANG Wanhai (China) noted the absence of any mention of the support account in the Secretary-General's report and requested clarification of that omission with regard to UNFICYP, UNAMIR and other peace-keeping operation budget reports.

45. Mr. TAKASU (Controller) said that the Secretary-General had proposed submitting a separate cost estimate of the support account for the period from July 1996 onward; therefore, no provision for the support account had been included in the present report. Table 3 in paragraph 33 of the report dealt only with the cost estimate for the future period, but annex I provided the figure for the previous 12-month period. An explanation of the general procedure regarding provision of figures for funding the support account was given in annex II, section E, paragraph 12, of the report.

AGENDA ITEM 132: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN GEORGIA (continued) (A/50/731/Add.1 and Add.1/ Corr.1 and A/50/890)

46. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the financing of the United Nations Observer Mission in Georgia (UNOMIG) (A/50/731/Add.1 and Add.1/ Corr.1), said that the UNOMIG mandate had most recently been extended until July 1996. The cost estimate of $17,115,300 gross for the 12-month period from 1 July 1996 to 30 June 1997 would provide resources for 135 military observers and 139 related civilian staff. The actions to be taken by the General Assembly were set out in paragraph 43 of the report, and included the appropriation of $7,606,650 gross for the period from 13 January to 30 June 1996 as already authorized and assessed under the terms of General Assembly resolution 49/231 B of 12 July 1995 and decision 50/449 of 22 December 1995, and the appropriation of $17,115,300 gross for the maintenance of the Mission for the period from 1 July 1996 to 30 June 1997, or a monthly assessment rate of $1,426,275 gross, subject to the extension of the Mission's mandate by the Security Council.

47. The current cost estimate represented a slight increase over that for the previous period, and reflected the staffing needs of the Office of the Deputy Special Envoy, the previous recruitment of international staff, and increases in local spare-parts and maintenance costs. However, the generous contribution of two aircraft by the Government of Switzerland had eliminated the factor of

charter costs that had accounted for much of the Mission's air-operations expense.

48. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) drew attention to the Advisory Committee's observations and recommendations in its report on the financing of UNOMIG (A/50/890).

AGENDA ITEM 137: FINANCING OF THE UNITED NATIONS MISSION OF OBSERVERS IN TAJIKISTAN (continued) (A/50/749/Add.1 and A/50/933)

49. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the financing of the United Nations Mission of Observers in Tajikistan (UNMOT) (A/50/749/Add.1), said that the Mission's mandate had most recently been extended until 15 June 1996, and that its estimated cost for the period from 1 July 1996 to 30 June 1997 was $7,302,500 gross, a 15 per cent decrease compared to the previous 12-month period that reflected lower costs for air operations and military personnel and the exclusion of the provision for the support account for peace-keeping operations during the budget period. The decrease had been partly offset by increases in civilian staff costs resulting from the 15 additional posts authorized by the Advisory Committee.

50. The action to be taken by the General Assembly, as set out in paragraph 28 of the report, was the appropriation of $7,302,500 gross for the 12-month period beginning 1 July 1996, to be assessed at a monthly rate of $608,542 gross subject to extension of the Mission by the Security Council.

51. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) drew attention to the Advisory Committee's observations and recommendations in its report on the financing of UNMOT (A/50/933).

52. Mrs. EMERSON (Portugal) said that, given the high cost of peace-keeping operations, she was concerned about the measures to be taken by the Secretariat in cases where the staff involved in administering large sums of money did not live up to the high standards of competence and integrity expected of them. She requested clarification of the procedures available to the Secretariat when such persons were permanent staff members and therefore not easily dismissed, and whether such persons were simply transferred to other missions.

53. Mr. TAKASU (Controller) said that a series of reforms had been instituted in the financing of peace-keeping operations over the previous four years. Financial arrangements and budgetary procedures had been made more orderly and systematic, but the rapid overall growth in peace-keeping operations had occasionally necessitated the use of outside contractual personnel and in some cases retired staff in the areas of procurement, personnel and general services. Stricter vetting procedures and training programmes had been instituted for mission personnel in general, and standards of accountability had been established for evaluating their performance.

AGENDA ITEM 117: IMPROVING THE FINANCIAL SITUATION OF THE UNITED NATIONS (continued) (A/50/666/Add.5)

54. Mr. CONNOR (Under-Secretary-General for Administration and Management), introducing the report of the Secretary-General contained in document A/50/666/Add.5, said that the financial situation of the Organization remained precarious, although there had been some improvements.

55. As of 30 April 1996, the Organization's expected regular budget cash balance had been $79 million, but the actual balance had been close to zero because three Member States had not paid as had been projected, others had paid earlier than projected, and because the usual minor variations had occurred between estimates and actual receipts. Nevertheless, there had been greater than expected cash inflow in the peace-keeping budget category. He therefore deemed it possible, feasible and prudent to consider short-term borrowing from the peace-keeping budgets to augment the negative balance in the regular budget.

56. Significant changes since the February forecast included the approval by the United States Congress of additional funding in the amount of $304 million for the regular budget for 1995 and $359 million for peace-keeping operations. $313 million had already been received under continuing spending resolutions of the United States Government, and an additional $94 million had been previously anticipated in United Nations cash forecasts. The net effect of those developments was that the Organization had $122 million more for the regular budget and $134 million more for peace-keeping than previously forecast. Moreover, the Russian Federation had announced its intention to pay $400 million to the United Nations in 1996, with a net effect of exceeding the forecast for peace-keeping by $275 million. The combination of the two States' commitments amounted to a $531 million increase in the Organization's cash resources for the year.

57. The original forecast for the regular-budget cash position at 30 June 1996 had been $36 million, but had been revised to $129 million, the need to borrow therefore being postponed from the end of June to the end of August. The forecast for the regular budget at 31 December 1996 had been minus $420 million, but the new inflow of cash resulting from $122 million in additional payments on 1995 assessments by the United States and $113 million in anticipated payments on 1996 United States assessments, offset by $13 million in other forecast changes, had allowed that figure to be revised to minus $198 million.

58. The original peace-keeping cash estimate for 31 December 1996 had been $340 million, but the new forecast called for a figure of $586 million, due again to additional payments of $225 million from the United States, $275 million in anticipated additional payments from the Russian Federation, and $21 million in other changes in operating costs and contributions, offset by $275 million in possible troop and contingent-owned equipment costs.

59. Combining the regular and peace-keeping budget forecasts produced a cash position of $388 million by the end of 1996. That figure represented $586 million for peace-keeping, offset by minus $198 million for the regular budget. The combined cash flow was thus forecast to be positive, but the regular-budget cash situation was still substantially negative. Looking ahead

to 31 December 1996, besides the minus $198 million figure for the regular budget, the United Nations would still be owed $2.1 billion, of which $1.3 billion would be owed by the United States; the United Nations in turn would owe Member States $725 million for their contributions of troops and equipment to peace-keeping operations. Thus despite the overall improvement in the Organization's cash flow, the situation remained precarious.

60. Mr. BROWN (Ghana) said that the United Nations was no closer to finding a solution to its precarious financial position. The Organization's cash flow had not changed for the better because a number of countries, including some of the largest contributors, had neither paid their contributions nor made good on their arrears. His delegation wished to reiterate the assertion of the Group of 77 and China that the origin of the financial crisis stemmed from a failure to pay assessed dues promptly without any conditions, and not from any problem with the scales of assessments. It was also incumbent on all Member States, particularly those which were not in any form of distress, to endeavour to pay their arrears within a reasonable time-frame.

61. The problem of non-payment was political. Ghana applauded the Secretary-General's intention to appeal directly to the Heads of Government of countries in arrears, requesting them to pay up. His delegation also hoped that the Secretary-General would live up to his promise to convene a special session of the General Assembly to discuss the financial situation of the Organization.

62. The time had come to consider taking drastic measures against Member States to compel them to discharge their obligations to the United Nations. At the same time, States that paid in full and on time should be compensated somehow, and not made to suffer unduly because of the intransigence of a few States which were able to pay but were unwilling to do so for selfish reasons. For example, the entire question of the award of contracts should be reviewed to prevent any benefit accruing to Member States that were indebted to the Organization. It was obvious that a handful of defaulting States were getting far more out of the Organization than they were giving to it. The option of charging interest on unpaid contributions should also be considered.

63. He noted that defaulting States had often argued that disincentive schemes were wider in scope than those provided for under Article 19 of the Charter and were legally questionable. A greater demonstration of political will on the part of the majority of Member States was needed to counteract the intransigence of a powerful few.

64. No less an issue of concern was the high degree of wastage and overlap in the United Nations system. Much had already been said about those tendencies, but little had been done to curb them. Unlike the question of the scale of assessments, the resolution of such problems would have an immediate beneficial impact on the Organization's cash flow. A glaring example of duplication was the proliferation of procurement divisions among the various departments of the Secretariat. Significant cost savings could be achieved through mergers and rationalization. In the same context, it was often not unusual to find various United Nations agencies undertaking exactly the same kinds of projects in the fields of health, education and sanitation. If such examples of overlap and waste were done away with, the pressure on contributors would lessen, thereby

enabling them to discharge their obligations to the Organization more easily. A thorough review of the whole issue of duplication was urgently needed.

65. Further obvious examples of waste were encountered during the start-up and liquidation phases of peace-keeping operations. Projected budget estimates frequently turned out to be vastly overestimated or underestimated. His delegation would welcome the formation of a small expert body within the Department of Peace-keeping Operations whose sole task would be to accurately assess and project the requirements of peace-keeping missions.

66. Ghana was not a rich country, but it always made an effort to pay its dues to the Organization in full and on time. He urged all Member States to meet their legal obligations under the Charter.

67. Ms. PEÑA (Mexico) said that document A/50/666/Add.5 contained no mention of recent voluntary contributions to peace-keeping operations, in particular a payment of $3 million by South Africa for peace-keeping operations in the African region. Her delegation would like to see such contributions reflected in official documents. She also wished to remind the Under-Secretary-General that the Secretariat had promised to publish and circulate a document that would provide a breakdown of the specific amounts claimed by Member States pursuant to General Assembly resolution 50/83 on the normalization of the situation concerning South Africa.

68. Mr. HANSON (Canada) said that the financial woes of the United Nations were primarily attributable to the non-payment of dues by the largest contributor, but slightly less than half of the outstanding debt was owed by other countries whose rates of assessment were excessively high in relation to their capacity to pay. He agreed with the Under-Secretary-General's view that the situation was still far from reassuring and registered his particular concern about the legitimacy of cross-borrowing from peace-keeping operations when money was still owed to troop contributors.

69. Ms. ALMAO (New Zealand) recalled that the Secretariat had expected to reimburse $50 million to troop contributors by the end of April. She noted, however, that the forecast balance of cash reserves had been much lower than expected at the end of April because of delayed payments from three Member States and asked whether the change in the cash-flow situation meant that the reimbursement would also be delayed.

70. Mr. ALOM (Bangladesh) said that the only practical and acceptable way of resolving the financial crisis was for major contributors to pay in full and on time. The negative attitude of those contributors had led directly to the current crisis. Too much time had been devoted to matters of secondary importance and not enough to exerting pressure on the major contributors. The Charter made it clear that payment of assessed contributions was a legal obligation; linking the payment of contributions to any conditions whatsoever was therefore totally unacceptable. He wondered whether paragraph 7 of the report of the Secretary-General (A/50/666/Add.5) implied that such a linkage had in fact been made.

71. Mr. TOYA (Japan) urged the United States Government to pay its assessed contributions in full and without conditions. He wished to inform the Committee that, owing to the timing of the financial year in Japan, contributions to the United Nations budget after 1 April 1996 could not be made until the Japanese Parliament had approved the national budget.

72. Ms. HOLLAND (United Kingdom) endorsed the Canadian concern about the legality of cross-borrowing from peace-keeping operations and requested that the matter should be looked at in detail by the Legal Counsel.

73. Mr. ODAGA-JALOMAYO (Uganda) endorsed the Mexican request that all income should be reflected in official documents, and asked the Under-Secretary-General to comment on what had been done with voluntary contributions made by United States citizens to the United Nations budget.

74. Mr. CONNOR (Under-Secretary-General for Administration and Management) said that the South African contribution mentioned by the representative of Mexico had been included in the $21 million aggregate adjustment of the forecast. Document A/50/666/Add.5 focused on trends rather than details, but the contribution would be clearly signposted in the more detailed report on contributions that was issued monthly. Regarding the publication of a list of Member States to which the Organization owed money, he recalled that such a list had been published as of 31 December 1995.

75. He agreed that the phenomenon of cross-borrowing was undesirable, but indicated that the alternative was even more unpalatable. Nevertheless, he would instruct the Office of Legal Affairs to look into the legality of the practice. Responding to the question on reimbursement asked by the representative of New Zealand, he confirmed that $50 million had been paid on the troop contribution debt. However, further instalments had been delayed as regular budget cash had diminished, but payment would be resumed on receipt of anticipated income.

76. Individual payments to the United Nations by United States citizens were usually sent via Senators and Congressmen. The amounts received had not been offset against the amounts due from the United States; instead they had been credited to a reserve fund against which the Organization could borrow at a later date.

77. Regarding the concern raised by the delegation of Bangladesh, he confirmed that payment of United States contributions had indeed been legislated on the understanding that certain conditions would be met, but the stipulations of national legislation were outside the control of the United Nations.

78. Ms. PEÑA (Mexico) explained that she had been referring to a list showing a breakdown of the amounts in which each Member State had waived its reimbursement claim in respect of the surpluses generated during budget periods between 30 September 1974 and 23 June 1994. No such list had yet been published.

79. Mr. TAKASU (Controller) said that the calculations involved were extremely detailed and time-consuming. However, the work had been completed and it was simply a matter of putting the data into a readily accessible form. The

Secretariat hoped to be able to make the relevant information available to Member States very shortly.

80. Ms. PEÑA (Mexico) said that her delegation would await the issuance of the document; if it was not issued, she would raise the matter again. In her view, one and a half months should have been quite sufficient to carry out the mandated task.

AGENDA ITEM 116: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued)

Programme budget implications of draft resolution A/50/L.72 concerning agenda item 45 (continued) (A/50/L.72 and A/C.5/50/59)

81. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the statements of the Secretary-General on the programme budget implications of draft resolution A/50/L.72 relating to the United Nations Office of Verification in El Salvador, the successor to the Mission of the United Nations in El Salvador (MINUSAL).

82. Under the terms of draft resolution A/50/L.72, the General Assembly would decide to establish a small United Nations Office of Verification to follow up pending aspects of the peace accords in El Salvador. The Secretary-General had estimated that an amount of $1,130,500 would be required under section 3 of the programme budget for the biennium 1996-1997 for the continuation of the United Nations presence in El Salvador from 1 May 1996 to 31 December 1996. An additional appropriation of $135,900 would be required under section 32 (Staff assessment), offset by the same amount under income section 1 (Income from staff assessment). The Committee believed that the amount requested would not be required in its entirety and that economies could be realized in various items of the budget. In particular, the amount requested for travel purposes was felt to be in excess of actual requirements. The Committee had also recommended that the Secretary-General should make every effort to obtain contributions from the host Government in respect of rental and maintenance of premises.

83. With reference to the trust fund established for MINUSAL, an unexpended balance of $30,213 would be available for expenditure on the Office. The Advisory Committee noted that operative paragraph 5 of the draft resolution requested the Secretary-General to carry out the activities of ONUV within existing resources and to submit to the General Assembly proposals on possible means of absorption in the programme budget for the biennium 1996-1997.

84. The Advisory Committee recommended that the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/50/L.72, including the phrase "within existing resources", the phrase should be interpreted to mean that the Secretary-General should enter into commitments up to the amount indicated in his statement of programme budget implications and that such eventual additional appropriation as may be required would be considered by the General Assembly in the context of its first performance report for the biennium 1996-1997.

85. Ms. SHENWICK (United States of America) asked whether it might not be more accurate to say that the efficiency savings which the Secretary-General referred to in paragraph 9 of document A/C.5/50/59 were in fact non-budgeted expenditures and not cost reductions. The United States delegation would also be willing to defer consideration of whether expenditure for the Office could be absorbed pending receipt of the Secretary-General's report due on 15 May.

86. Mr. TAKASU (Controller) explained that when the Secretary-General had submitted his initial programme budget proposals for 1996-1997, he had presented a comparison with the budget for the previous biennium. The appropriation for 1994-1995 had been $2,619 billion; the budget for 1996-1997 had been estimated at $2,510 billion before recosting. The difference between the two figures was made up of various elements which included but did not exclusively comprise efficiency gains. Having said that, the Secretary-General had followed well-established budgetary procedures as far as the financing of missions was concerned. In particular, the General Assembly had decided against including in the budget anything which was not covered by a legislative mandate.

The meeting rose at 6.15 p.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

FIFTH COMMITTEE
57th meeting
held on
Tuesday, 7 May 1996
at 3 p.m.
New York

SUMMARY RECORD OF THE 57th MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 60: FINANCING OF THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR GENOCIDE AND OTHER SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF RWANDA AND RWANDAN CITIZENS RESPONSIBLE FOR GENOCIDE AND OTHER SUCH VIOLATIONS COMMITTED IN THE TERRITORY OF NEIGHBOURING STATES BETWEEN 1 JANUARY AND 31 DECEMBER 1994 (continued)

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The meeting was called to order at 3.10 p.m.

AGENDA ITEM 136: FINANCING OF THE INTERNATIONAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE FORMER YUGOSLAVIA SINCE 1991 (continued) (A/50/925; A/C.5/50/41)

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1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the Advisory Committee's reports on the two international tribunals, for the former Yugoslavia and Rwanda, respectively (A/50/925 and A/50/923). The Advisory Committee had conducted extensive hearings of the estimates submitted for the Tribunals in the presence of the Prosecutor and the two Registrars. Although the Advisory Committee had commented that there should be uniformity in the presentation of the estimates, it had to be borne in mind that the two Tribunals were quite separate while sharing one Prosecutor and one Appeals Chamber.

2. Expenditure for 1994-1995 had shown unencumbered balances of $2.3 million for the Tribunal for the former Yugoslavia and $11.3 million for the Rwanda Tribunal. Those balances would be available to reduce assessments for 1996. The Yugoslavia Tribunal had 6 trials in prospect for 1996; the Rwanda Tribunal 12. For the Yugoslavia Tribunal, the proposed 1996 estimate amounted to $40.8 million with 342 posts, excluding 11 judges; for the Rwanda Tribunal the Secretary-General had estimated $38.8 million net with 404 posts, excluding six judges.

3. In view of the developments which had taken place in the former Yugoslavia following the Dayton Peace Agreement and the Rome "rules of the road" referred to in paragraph 13 of document A/50/925, everything should be done to ensure that priority was given to the office of the Prosecutor, as the work of the office was the engine which would drive the future work of the Tribunal. The same priority should be accorded to the work of the Prosecutor for the Rwanda Tribunal. The Advisory Committee had been informed by the Prosecutor for Rwanda that if staff resources were made available, the investigative function could be completed in approximately 18 months and the office in Kigali could be closed soon thereafter. In that connection the Advisory Committee had been surprised to learn that some of the procedures followed by Headquarters regarding personnel recruitment and delegation of authority to the Rwanda Tribunal had not been conducive to the efficient discharge of the Tribunal's mandate. The lack of delegation of authority to appoint international staff had contributed to a delay in the recruitment for approved posts. In addition, he had to report that the cost-cutting measures being pursued under the regular budget had adversely affected recruitment for the Yugoslavia Tribunal. In paragraph 13 of its

report, the Committee called for recruitment of qualified personnel without further delay.

4. The reports of the Advisory Committee had made extensive comments on the policies and procedures being followed by the two Tribunals regarding extrabudgetary resources whether in cash or in kind, including personnel. The Committee was still not satisfied that full disclosure had been made of the level of extrabudgetary resources received and how they were being used. The method of budgeting for activities which were ultimately carried out by extrabudgetary personnel or by means of extrabudgetary funds was also of concern to the Committee. A number of recommendations had been made in its previous report regarding the financing of the Yugoslavia Tribunal, and those recommendations had been repeated in the current report. The same comments applied equally to the Rwanda Tribunal. In particular, it had been disclosed to the Committee that donors were charged 13 per cent support cost. That was a policy issue which needed to be addressed by the General Assembly, especially with regard to personnel provided free of charge to the United Nations to occupy posts which would otherwise have been funded from assessed contributions. The Committee had also recommended that full budgeting should be the norm rather than the exception. By that procedure the Secretary-General could estimate the full cost of an activity and indicate that portion to be funded from extrabudgetary sources leaving the balance to be assessed.

5. The reports of the Advisory Committee had provided extensive comments on the estimated cost for defence counsel, the protection of victims and witnesses and the differences in expenditure for the two Tribunals. Whenever reference had been made to the use of extrabudgetary sources, the Committee had indicated that it had been unable to ascertain the status of voluntary funds for that activity. The Committee had also recommended that stringent procedures should be put in place to determine the bona fide indigence of accused persons, and that guidelines should be issued on recovering payments made by the United Nations to any accused persons who were found to have committed perjury.

6. With respect to administration and other support costs, the Advisory Committee had stated that cumbersome and costly bureaucracies should be avoided, and wherever possible administrative structures should be streamlined. The Committee was particularly concerned that the Yugoslavia Tribunal might be paying for more space than it actually required. More extensive efforts should also be undertaken to acquire assets from existing United Nations stock for items such as computers, vehicles, furniture and communications equipment.

7. Paragraph 16 of document A/50/925 indicated that in some instances Governments were paying the travel expenses of certain Tribunal judges. The General Assembly would need to provide further guidance on that matter. The related regulations covering travel and subsistence had still not been submitted for scrutiny by the Advisory Committee, as had been previously requested. The conditions of service and allowances for judges of both Tribunals should be the same, and the General Assembly would need to take further action in that matter.

8. Mr. UBALIJORO (Rwanda) said that his Government welcomed the constructive and objective report of the Advisory Committee on the financing of the Rwanda Tribunal. He commended the approach taken by the Committee in analysing the

differences between the presentation of the budgets of the Rwanda and Yugoslavia Tribunals.

9. Regarding paragraph 7 of the Advisory Committee's report, his delegation was greatly concerned about the lack of delegated authority to appoint international staff, and it had been painful to learn that the problem had contributed to further delay in the recruitment of suitable staff. He appealed to Member States not to allow any further technical aspects to jeopardize the prompt and effective functioning of the Tribunal. In that respect his delegation endorsed the Committee's recommendation that the Tribunal should be granted the power to delegate authority in personnel matters. Such a step would enable the investigative function to be completed rapidly, thus lessening existing tensions and distrust between the survivors of the genocide and those who had perpetrated it.

10. His Government failed to understand why the Secretary-General's report envisaged the holding of only 12 trials in 1996. The small number of prosecutions could easily send out the wrong message; he suggested that a lack of political will meant that the magnitude of the crimes was being overlooked.

11. Regarding paragraph 9 of the report, his Government wished to request that the conditions of service and allowances for the judges of the Yugoslavia Tribunal should be extended to the judges of the Rwanda Tribunal. It was obvious that such fundamental resources should be made available to both Tribunals if they were to acquire a minimum of efficiency.

12. Regarding paragraph 14, the fact that there was only one Prosecutor for both Tribunals should not result in the establishment of a separate unit at the Hague for servicing the Rwanda Tribunal, nor should a Prosecutor based in Rwanda service the Yugoslavia Tribunal. His delegation therefore endorsed the Committee's observation that the Prosecutor should receive service wherever he happened to be. It was concerned about the workload that devolved on a single Prosecutor who had to deal with two different realities and therefore was required to adopt two different approaches.

13. Regarding paragraph 21 of the report, his delegation wished to request that interpretation machinery should be put in place to allow interpreters to service the meetings of the Rwanda Tribunal on a permanent basis and thus avoid additional delays. With respect to paragraph 22, Rwanda strongly supported the adoption of procedures to recover resources from accused persons who had been provided with defence counsel but had subsequently been found not to qualify for such support. In that connection he wished to inform the Fifth Committee that most of the key architects of genocide in Rwanda possessed substantial financial resources, since in the wake of the genocide they had looted Rwanda's economy. Many of those assets were currently in foreign bank accounts.

14. Regarding paragraph 27 of the report, his delegation failed to understand why a double standard had been applied with regard to the victim/witness insurance programme. It was unjust and insensitive not to establish a comparable provision for the Rwanda Tribunal, especially since it had to be borne in mind that the success of the trials would rely on the cooperation of victims and witnesses.

AGENDA ITEM 116: PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued)

Revised estimates under section 26E, Conference services, and section 26F, Administration, Geneva (A/50/7/Add.15; A/C.5/50/58)

Conference servicing of the Conference of States Parties to the United Nations Framework Convention on Climate Change

15. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had previously submitted an interim recommendation on the matter pending consideration of a detailed presentation from the Secretariat of the administrative and budgetary implications of the decision by the General Assembly to include in the calendar of conferences the cost of meetings of the Conference of the Parties to the United Nations Framework Convention on Climate Change. Pursuant to the request of the Advisory Committee, the Secretary-General had submitted revised estimates amounting to $7.5 million for the biennium 1996-1997 with an additional appropriation of $5.5 million.

16. The Advisory Committee had noted the proposed large amount of documentation and the related cost. In line with measures being taken throughout the United Nations, the Conference of the States Parties should be requested to review the number of documents envisaged and the manner in which they would be produced. The Committee had also requested in paragraph 11 of its report that every effort should be made to recruit staff locally in Bonn for the 1997 meetings with a view to reducing costs.

17. The Committee had indicated that the additional appropriation for that activity would be governed by the procedure for the use of the contingency fund and that additional assessment would be considered by the General Assembly in the context of the revised appropriations to be adopted by the General Assembly in December 1996.

18. Ms. SHENWICK (United States of America) said that the contingency fund should not be used for the purpose outlined in the Advisory Committee's report. Appropriations should be held at the budget level which had been agreed. The existence of the contingency fund did not relieve the Secretary-General of his duty to carry out a meaningful review of resources to determine whether or not the proposed activity should be accommodated within the existing overall appropriation.

19. Mr. GOKHALE (India) said that General Assembly resolution 50/115 clearly stressed the importance of the proposed meetings which were essential if the work of the Conference was to be properly conducted. While welcoming all measures to achieve savings, activities under the Framework Convention on Climate Change were of paramount importance and should therefore be fully funded. His delegation accepted the Advisory Committee's recommendations, provided that the allocation of resources from the contingency fund would guarantee full servicing of the proposed meetings.

20. Mr. RAMLAL (Trinidad and Tobago) asked whether or not General Assembly resolution 50/115 had been adopted by consensus. He pointed out that small

island States were the most vulnerable to climate change, and his delegation therefore endorsed the Advisory Committee's recommendations, provided that assurances could be given that the contingency fund would cover all conference servicing requirements.

21. Mr. ATIYANTO (Indonesia), supported by Ms. RODRÍGUEZ ABASCAL (Cuba), Mr. MANCINI (Italy) and Mrs. INCERA (Costa Rica), endorsed full financing of the proposed meetings from the contingency fund.

22. Mr. TAKASU (Controller) confirmed that General Assembly resolution 50/115 had been adopted by consensus and that Member States had agreed to the provision of 12 weeks of conference services. Regarding meetings that had already been held, paragraph 4 of the Secretary-General's revised estimate made it clear that work to prepare for meetings during the first quarter of 1996 could be initiated on the understanding that such action should in no way prejudge decisions to be taken by the General Assembly.

23. The contingency fund had been created by General Assembly resolution 41/213 to accommodate additional expenditures arising from legislative mandates adopted after the initial programme budget and not included therein. The contingency fund for 1996-1997 had been set at three quarters of a per cent of the total budget. Those resources, which totalled $19,427,000, were still available. The additional projected conference-servicing requirements for the Conference of the States Parties amounted to $5.5 million, which was well within the current capacity of the contingency fund.

24. Mr. GOKHALE (India) requested clarification that application of the procedures for the operation and use of the contingency fund meant that the Secretariat would make arrangements as requested and that the required meetings would be fully funded.

25. Mr. TAKASU (Controller) said that in the absence of any change by the General Assembly of the provisions of its resolution 41/213 on the contingency fund there would be no impediment to provision by the Secretariat of the required services.

26. Mr. GOKHALE (India) said that it was thus his delegation's understanding that the Secretariat would provide funding for the meetings in accordance with that resolution.

27. Ms. SHENWICK (United States of America) said that the use of the contingency fund on any occasion for any purpose suggested by the Secretariat was in fact for the membership to determine, and a decision not to make use of the contingency fund did not represent a repudiation of the budgetary process established in resolution 41/213. The viability of the budgetary process was not at stake; the Committee was simply considering whether to use the contingency fund for the purpose proposed in the amount of $5 million, to which her delegation was opposed.

28. Mr. TAKASU (Controller) said that the contingency fund had been created by the General Assembly as part of the budgetary procedure to regulate additional funding necessitated by the adoption of legislative mandates after the budget

had been approved. The General Assembly had further provided in its resolution 41/213 that revised estimates arising from the impact of extraordinary expenses, including those relating to the maintenance of peace and security, as well as fluctuations in rates of exchange and inflation, should not be covered by the fund. The contingency fund currently stood at some $19 million, so that the $5.5 million required was available, subject to a decision to appropriate that amount.

29. Mr. GOKHALE (India) said that his delegation attached great importance to the Framework Convention on Climate Change and to the related meetings. He noted that funds were available in the contingency fund, and further noted that resolution 41/213 also provided that low priority items should be deferred to a later biennium. Accordingly, he wished to ask the United States delegation whether its view was that the Convention on Climate Change was such a low priority that it should be deferred to the next biennium, that being the only alternative to financing under the contingency fund. His delegation would be opposed to any such view.

30. Ms. SHENWICK (United States of America) said that her delegation would welcome clarification of its understanding that any decision to make use of the contingency fund was for the membership to take rather than the Secretariat, and of its view that a decision not to use the contingency fund did not constitute repudiation of the budgetary process as established in resolution 41/213. With respect to the question raised by the delegation of India, her delegation considered the conference to be of such substantive importance that it should be funded as a priority activity within the approved budget level of $2.608 billion ahead of other activities of lower priority.

31. Mr. TAKASU (Controller) said that the Secretary-General provided statements of programme budget implications or revised estimates when it was his view that an activity fell outside the contingency fund. Otherwise activities were to be covered under the fund. He noted that in December 1995 the Fifth Committee had decided that the conference-servicing costs of the Conference should be met from the regular budget and that the actual amounts needed would be considered on the basis of revised estimates to be submitted at the resumed session. That decision had been made subject to the guidelines for the operation and use of the contingency fund.

32. The CHAIRMAN said that the matter would be referred to informal consultations.

Programme budget implications of draft resolution A/50/L.72 concerning agenda item 45 (continued) (A/C.5/50/59)

33. Ms. PEÑA (Mexico) said that her delegation would prefer any decision adopted by the Committee to authorize expenditure to 31 December 1996 so as to ensure full funding for the United Nations Office of Verification in El Salvador.

34. Mr. MENKVELD (Netherlands) said that the Committee should follow the procedure it had used in the case of the International Civilian Mission in Haiti (MICIVIH), whereby the Committee had adopted a draft decision providing for

commitment authority pending a decision in respect of financing to be taken on the basis of a subsequent report of the Secretary-General. The Committee should authorize commitment authority to the end of May only.

35. Ms. PEÑA (Mexico) said that her delegation was not requesting any change in the procedures applying to civilian missions, but merely an extension of the Secretary-General's commitment authority. She would be willing to discuss the source of funding. That approach did not differ from the procedure applied to MICIVIH.

36. Ms. SHENWICK (United States of America) asked whether the Mexican proposal would mean that the procedure to be followed was the same as that applied to the Mission for the Verification of Human Rights in Guatemala (MINUGUA).

37. Mr. TAKASU (Controller) said that in the case of the two missions referred to the Secretary-General had been given commitment authority pending issuance of a report on possible absorption of costs. In the case of MINUGUA commitment authority had been given to the end of 1996, but in the case of MICIVIH only to the end of May.

38. The CHAIRMAN said that he would take it that the Fifth Committee wished to decide to inform the General Assembly that, should it adopt draft resolution A/50/L.72, the Secretary-General would be authorized to enter into commitments not to exceed $1,130,500 under section 3 of the programme budget for the biennium 1996-1997 and that such eventual additional appropriations as might be required would be considered by the General Assembly in the context of the first performance report for the biennium 1996-1997. In addition, an amount of $135,900 would be required under section 32 (Staff assessment), to be offset by income in the same amount under income section 1.

39. Mr. MENKVELD (Netherlands) said that the proposed decision reflected correct budgetary procedure, but not that followed in the case of MICIVIH for reasons which applied to the request now before the Committee. Specifically, no funds were provided in the budget, the Working Capital Fund was exhausted, and regular-budget funds would be depleted in July/August, so that there would be cross-borrowing from peace-keeping budgets for regular budget activities, to which his delegation was opposed. In order to see whether absorption was possible in the case of MICIVIH and MINUGUA the Secretary-General had been requested to formulate proposals by the end of May. All similar operations should be treated in the same way. The Committee, in the case of all three missions, would ultimately need to determine whether costs could be absorbed, whether cross-borrowing was required, or whether there was a need for additional funding. Accordingly, the Committee should adopt a decision whereby the Secretary-General would be authorized to enter into commitments to 31 May 1996, leaving the question of appropriations to be considered at a later stage at the resumed session.

40. The CHAIRMAN suggested, as an alternative scenario, that the Fifth Committee, having considered draft resolution A/50/L.72, the statement on the programme budget implications submitted by the Secretary-General (A/C.5/50/59), and the recommendations of the Advisory Committee on Administrative and Budgetary Questions (reflected in A/C.5/50/SR.56), recalling that the General

Assembly in its resolution 50/214 of 23 December 1995 had already requested the Secretary-General to achieve savings in an amount of $103,991,200 and had also requested the Secretary-General to fully implement all mandated programmes and activities, and reaffirming the budgetary process adopted in its resolution 41/213, of 19 December 1986, and subsequent relevant resolutions, should decide to inform the General Assembly that, should it adopt draft resolution A/50/L.72, the Secretary-General would be authorized to enter into commitments in an amount not exceeding $1,130,500 (net of staff assessment) under section 3 of the programme budget for the biennium 1996-1997 for the continuation of a United Nations presence in El Salvador during the period from 1 May to 31 December 1996. The Secretary-General would be requested to present to the General Assembly, through the Advisory Committee, no later than 15 May 1996, proposals on possible means of absorption in the 1996-1997 programme budget. The Committee would decide to revert to the issue of appropriations, at the latter part of its May 1996 session, in the light of the Secretary-General's proposals requested in the draft decision.

41. The draft decision he was proposing paralleled that taken in respect of MINUGUA.

42. Ms. SHENWICK (United States of America) said that the Chairman's formulation provided a basis for consensus. The Advisory Committee had, however, made recommendations which, if implemented, would reduce the amount below $1.1 million, a situation which her delegation would prefer. She asked to what amount expenditure could be reduced.

43. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Committee might authorize the Secretary-General to incur up to $1.1 million, taking into account the observations of the Advisory Committee.

44. The CHAIRMAN said that he would take it that the Committee wished to adopt the oral draft decision, as amended.

45. It was so decided.

46. Mr. MELENDEZ-BARAHONA (El Salvador) welcomed the adoption of the draft decision, as amended.

The meeting rose at 4.30 p.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

FIFTH COMMITTEE
58th meeting
held on
Thursday, 9 May 1996
at 3 p.m.
New York

SUMMARY RECORD OF THE 58th MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 136: FINANCING OF THE INTERNATIONAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF THE FORMER YUGOSLAVIA SINCE 1991 (continued)

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AGENDA ITEM 124: FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991): UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (continued)

AGENDA ITEM 134: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN LIBERIA (continued)

AGENDA ITEM 135: FINANCING OF THE UNITED NATIONS ASSISTANCE MISSION FOR RWANDA (continued)

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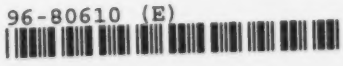

The meeting was called to order at 3.15 p.m.

AGENDA ITEM 116: PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued)

Revised estimates under section 3, Peace-keeping operations and special missions; section 32, Staff assessment; and income section 1, Income from staff assessment: Commission of Inquiry in Rwanda (A/C.5/50/60)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the report of the Secretary-General on the Commission of Inquiry in Rwanda contained in document A/C.5/50/60. Paragraph 91 (c) of the Commission's final report had recommended a reduction in the number of members of the Commission, and the Secretary-General had therefore proposed a composition of four instead of six members, including the Commission's Chairman. The Chairman of the Commission would be a United Nations staff member, appointed by the Secretary-General at the D-2 level, while the other three members would be made available by Governments on a non-reimbursable basis. The Commission would be supported by three international staff (1 P-5, 1 P-3 and 1 General Service post) and five local posts for two interpreters and three drivers. The Advisory Committee had no objections to those proposals.

2. The total estimated requirements of the Commission for the period from 1 May to 31 December 1996 amounted to $998,800 gross ($931,800 net), as indicated in paragraph 10 of the Secretary-General's report. Upon inquiry, the Advisory Committee had been informed that the Commission's expenditures for the period from 1 November 1995 to 31 December 1995 had amounted to $391,333 net.

3. The Advisory Committee noted from paragraph 3 of the annex to the Secretary-General's report that a provision of $40,700 was proposed for the rental of up to three vehicles during the eight-month period at a daily rate of $50 for 240 days ($36,000), and oil and lubricants were estimated at $4,700. The Advisory Committee recalled that air support, vehicles and communication had been provided to the Commission of Inquiry by other United Nations missions in the area, and recommended that the Secretary-General should continue to take advantage of such arrangements particularly by using vehicles previously provided to the United Nations Assistance Mission for Rwanda (UNAMIR). The Advisory Committee further noted from paragraph 6 (a) of the annex that provision had been made for hospitality at the rate of $1,000 per month ($7,200), but was of the view that that provision was excessive.

4. With regard to the proposals contained in paragraph 12 of the Secretary-General's report, the Advisory Committee recommended that the Secretary-General should be authorized to enter into commitments of up to $931,800 under section 3 (Peace-keeping operations and special missions) of the programme budget for the biennium 1996-1997. Commitments not exceeding $67,000 would also arise under section 32 (Staff assessment), to be offset by the same amount under income section 1 (Income from staff assessment). Any additional assessment would be considered by the General Assembly in the context of the first performance report for the biennium 1996-1997.

5. Ms. SHENWICK (United States of America) said that her delegation fully expected the financial costs of the operation to be met within the current budget level, and was therefore not prepared to support either the Advisory Committee's recommendations or the Secretary-General's requests. Rather, her delegation favoured a decision similar to that adopted for the United Nations Mission in El Salvador (MINUSAL) and the Mission for the Verification of Human Rights and of Compliance with the Commitments of the Comprehensive Agreement on Human Rights in Guatemala (MINUGUA) whereby the Commission would be accorded the same budget status as those of other operations in respect of which commitment authority was being granted from 1 May to 31 December 1996, subject to receipt of the report the Secretary-General was expected to submit by 15 May 1996.

6. Mr. ODAGA-JALOMAYO (Uganda) said that his delegation had no objection to approving the necessary commitment authority to allow the activity of the Commission to continue, but wished to discuss the matter in greater detail at a later date.

7. Mr. AMARI (Tunisia) said that his delegation also had no objection as long as the commitment authority to be given the Secretary-General was similar to that approved for MINUSAL.

8. The CHAIRMAN suggested that the Committee should recommend to the General Assembly the following draft resolution:

"The General Assembly,

"Having considered the report of the Secretary-General concerning the Commission of Inquiry in Rwanda (A/C.5/50/60) and the recommendations of the Advisory Committee on Administrative and Budgetary Questions (see A/C.5/50/SR.58),

"Recalling that the General Assembly in its resolution 50/214, of 23 December 1995, already requested the Secretary-General to make economies in an amount of 103,991,200 United States dollars and also requested the Secretary-General to fully implement all mandated programmes and activities and reaffirming the budgetary process adopted in its resolution 41/213, of 19 December 1986, and subsequent relevant resolutions,

"1. Decides to authorize the Secretary-General to enter into commitments in the amount up to 931,800 United States dollars (net of staff assessment) under section 3 of the programme budget for the biennium 1996-1997 for the maintenance of the Commission;

"2. Requests the Secretary-General to present to the General Assembly, no later than 15 May 1996, proposals on possible means of absorption in the 1996-1997 programme budget, including, inter alia, in part II thereof;

"3. Also requests the Fifth Committee to revert to the issue of appropriations, at the latter part of its May 1996 session, in the light of the Secretary-General's proposals requested herein."

9. The draft resolution was adopted.

AGENDA ITEM 136: FINANCING OF THE INTERNATIONAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF THE FORMER YUGOSLAVIA SINCE 1991 (continued) (A/50/925; A/C.5/50/41)

AGENDA ITEM 160: FINANCING OF THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR GENOCIDE AND OTHER SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF RWANDA AND RWANDAN CITIZENS RESPONSIBLE FOR GENOCIDE AND OTHER SUCH VIOLATIONS COMMITTED IN THE TERRITORY OF NEIGHBOURING STATES BETWEEN 1 JANUARY AND 31 DECEMBER 1994 (continued) (A/50/923; A/C.5/50/16, A/C.5/50/47 and A/C.5/50/54)

10. Mr. FERRARIN (Italy), speaking on behalf of the European Union, said that the high vacancy rate of the Tribunals for the former Yugoslavia and Rwanda had led to an underestimation of the actual costs of those Tribunals when fully staffed. The full annual costs of the Tribunals would then be close to $70 million for the Tribunal for the former Yugoslavia and $55 million for the Tribunal for Rwanda, for a total of $125 million or 10 per cent of the annual regular budget of the United Nations. The European Union noted that the programme budgets for the Tribunals had not been completely implemented, and that no performance reports had thus far been submitted.

11. Important voluntary contributions had been made to both Tribunals to cover activities which would otherwise have been financed from assessed contributions from Member States. It was therefore surprising that the Secretariat was seeking to charge a 13 per cent support cost to donors of such voluntary contributions. He requested a clarification of the basis and criteria for the calculation of the support cost, and also called for greater transparency regarding the utilization of voluntary contributions. He asked the Secretary-General to provide full details of all contributions to and expenditures from the trust funds for the Tribunals since their establishment.

12. Finally, the European Union requested information on negotiations between the United Nations and the Government of Rwanda regarding security and safety services for the personnel and premises of the Tribunal for Rwanda. It stressed the need for an appropriate protection scheme for Tribunal personnel, for which the necessary resources should be made available.

13. Mr. TAKASU (Controller) said that the financial regulations of the United Nations clearly stipulated that the Secretary-General could receive voluntary contributions in any form as long as such contributions entailed no additional financial liability for the Organization. The General Assembly had established guidelines for the acceptance of voluntary contributions, setting the standard programme support cost ratio for voluntary contributions at 13 per cent. Moreover, such contributions were to be considered as supplementary to assessed contributions. Therefore, any direct or indirect financial liability entailed in accepting such contributions should be borne outside the regular budget.

AGENDA ITEM 124: FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991): UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (continued) (A/50/892 and A/50/950)

14. Mr. TAKASU (Controller), introducing the Secretary-General's report contained in document A/50/892, said that the Security Council had most recently extended the mandate of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) to 6 October 1996. Two thirds of the cost of the Mission had been assumed by the Government of Kuwait on a voluntary basis since November 1993; the Organization had most recently received a payment of $19 million from that Government, covering the full cost of the Mission up to 30 April 1996.

15. The estimated cost of the Mission for the 12-month period from 1 July 1996 to 30 June 1997 amounted to $57,804,400 gross, two thirds of which, or $36,978,000, was to be funded from voluntary contributions from the Government of Kuwait. The total reflected an overall decrease of 3.7 per cent in gross terms when compared with the prorated resources approved for the preceding 12-month period, but subsequent to the publication of the cost estimate in document A/50/892, an attempt had been made to reduce the cost of the operation by reducing the number of personnel. The results of that effort had been reported to and endorsed by the Security Council, and constituted a further cost reduction of $7 million in gross terms, producing a total estimated cost of $50.7 million, subject to a decision by the Security Council to continue the Mission. The number of military observers had been reduced by 50, with comparable reductions in the numbers of international civilian staff, local staff and vehicles.

16. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee contained in document A/50/950, said that in the interest of economy and efficiency, measures were being taken to streamline the operation of the Mission, including a reduction by approximately 50 in the number of military observers effective sometime in August 1996. The administrative and budgetary implications of that reduction entailed a $7.1 million reduction from the Secretary-General's original cost estimate for the Mission. The Advisory Committee's recommendations were set out in paragraph 17 of its report.

17. Mr. MONAYAIR (Kuwait) said that the Government of Kuwait had made its voluntary payment in full and on time.

AGENDA ITEM 134: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN LIBERIA (continued) (A/50/650/Add.2 and 3 and A/50/922)

18. Mr. TAKASU (Controller), introducing the reports of the Secretary-General contained in documents A/50/650/Add.2, covering the six months from January to June 1996, and A/50/650/Add.3, covering the 12-month period starting on 1 July 1996, said that the Security Council had most recently extended the mandate of the United Nations Observer Mission in Liberia (UNOMIL) to the end of May 1996. The General Assembly had already taken measures to maintain the Mission until March 1996, but due to delays in the implementation of some programmes, the Secretariat had requested the permission of the Advisory

Committee for the extension to the end of May of the existing financial authority, but without changing its amount.

19. Document A/50/650/Add.2 contained a revised cost estimate for the Mission of $26,753,700 gross, but due to delays in programme implementation, $5.2 million for disarmament and demobilization could not be used and would have to be rolled over to the 12-month period beginning on 1 July 1996. The revised estimate for the first six months of 1996 was therefore to be adjusted downward to $21.6 million. An appropriation of $10.2 million was being requested for the period from 1 February to 31 May 1996, along with an appropriation of $1.6 million for the month of June 1996 in the event that the Security Council extended the mandate of the Mission.

20. Document A/50/650/Add.3 contained a cost estimate of $27,615,100 gross for the 12-month period beginning 1 July 1996, a decrease of 21 per cent compared to the preceding 12-month period. Due to the $5.2 million carry-over of disarmament and demobilization programme costs previously mentioned, however, the revised cost estimate for the maintenance of UNOMIL for the 12-month period beginning on 1 July 1996 stood at $32.8 million gross.

21. Due to the security problems currently being experienced by the Mission, many of its personnel had had to leave the country temporarily. The Security Council had requested the Secretary-General to submit a report by the end of May 1996 so that appropriate action could be taken with regard to the future of the operation. Moreover, while no change in the scheduling of the presidential and legislative elections had so far been announced, the costs associated with the full deployment of the Mission's electoral component could not be presented until the timing of those elections had been finalized.

22. Taking those uncertainties into account, the Secretary-General was requesting the General Assembly to appropriate $32.8 million gross for the Mission, should the Security Council extend its mandate for the 12-month period beginning on 1 July 1996.

23. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the report of the Advisory Committee in document A/50/922 contained recommendations on the revised budget estimates for the Mission for the period 1 January to 30 June 1996 and on the proposed budget for the period 1 July 1996 to 30 June 1997. It had not been possible to implement the operational plan as envisaged in previous reports of the Secretary-General, and when the Committee had examined the Secretary-General's current proposals it remained doubtful that the plan would ever be implemented fully. Fighting had started immediately after the Committee had approved the report on the Mission, and the deterioration of the situation in Liberia had forced the evacuation of significant numbers of UNOMIL personnel. The Secretary-General had subsequently sent an envoy to Liberia to assess the situation. The Mission had been extended by the Security Council to 31 May. After considering the report of the Secretary-General on developments in Liberia, the Council would determine what further measures would be appropriate regarding the future of the Mission.

24. The Advisory Committee's recommendations had generally been overtaken by events. He therefore suggested that the Fifth Committee should postpone action

on the report of the Advisory Committee pending a further submission by the Secretary-General once the Security Council had considered his report on developments in Liberia and had decided on the future of the Mission. The Secretary-General should be requested to report to the Fifth Committee through the Advisory Committee so that action could be taken by the General Assembly prior to the commencement of the new financial year beginning on 1 July 1996.

25. The General Assembly had given authority to spend for the period ending 31 March 1996. As indicated in paragraph 6 of its report, the Advisory Committee had authorized the Secretary-General to use resources already granted for the period ending 31 March 1996 to meet the continuing needs of the Mission for the period ending 31 May 1996. Pending action by the General Assembly, the Secretary-General should be given further commitment authority for the period 1 to 30 June 1996.

26. Mr. ODAGA-JALOMAYO (Uganda) endorsed the suggestion of the Chairman of the Advisory Committee.

27. Mr. MENKVELD (Netherlands) endorsed the suggestion made by the Chairman of the Advisory Committee, but asked for additional clarification as to its practical consequences. In particular, it would be useful to know when a new report could be submitted for the attention of the Fifth Committee. His delegation was anxious that the commitment authority for UNOMIL should not run out a second time.

28. Mr. TAKASU (Controller) said that the Secretary-General was required to respond to the Security Council by the end of May 1996. Depending on when the Security Council took up the matter, the Secretariat would then begin to prepare revised cost estimates. Processing the estimates should take two to three weeks.

29. Pursuant to General Assembly resolution 50/210, the Secretary-General had been granted financial authority to enter into commitments of up to $22 million from January 1996. Revised requirements for the period from January to June 1996 were currently estimated at $21.6 million. There would therefore be a balance of between $350,000 and $400,000 at the end of June. It would be useful if the General Assembly would consider extending the Secretary-General's commitment authority to the end of July so that the revised cost estimate submitted by the Secretariat could be properly reviewed by the Fifth Committee early in July.

30. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the figures given by the Controller for the period from January to June excluded the $5 million which had been rolled over to the period starting 1 July. That amount had already been approved by the General Assembly and could therefore be used during the period from January to June 1996. The amount actually available for the period January to June was therefore more than $21 million.

31. Mr. ODAGA-JALOMAYO (Uganda), supported by Mr. GRANT (United States of America), endorsed the proposal to give the Secretary-General commitment authority to the end of July, and not the end of June as previously suggested.

AGENDA ITEM 135: FINANCING OF THE UNITED NATIONS ASSISTANCE MISSION FOR RWANDA (continued) (A/50/712/Add.1-2 and A/50/936)

32. Mr. TAKASU (Controller) said that the cost estimate for the withdrawal period of the United Nations Assistance Mission for Rwanda (UNAMIR) amounted to $19.6 million gross; the cost estimate for the administrative closing down of the Mission amounted to $4.6 million gross. Document A/50/712/Add.2 was a preliminary report on the disposition of the Mission's assets. The equipment involved would be deployed to other operations, kept in reserve for subsequent resale, disposed of on the commercial market or contributed to the recognized Government of Rwanda. The total value of the assets had been estimated at $62.5 million. Approximately two thirds of that amount would be transferred to other peace-keeping operations; 10 per cent had been earmarked for transfer to programmes undertaken by United Nations offices and agencies operating in Rwanda, and the remainder would be donated to the Government of Rwanda.

33. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that although UNAMIR had been withdrawn from Rwanda, discussions were still going on regarding the establishment of a United Nations office in the country, which was currently estimated to cost $12 million during the biennium 1996-1997. The Advisory Committee had recommended appropriation and assessment of the withdrawal costs estimated by the Secretary-General.

34. In paragraph 28 of its report, the Advisory Committee had recommended that action on the Secretary-General's request to revise the appropriations for the period 10 June to 31 December 1996 should be deferred pending receipt of the performance report for the period. The Committee also recommended that the General Assembly should take note of the preliminary report on the disposition of assets.

35. Mr. ODAGA-JALOMAYO (Uganda) noted that past experience had shown that irregularities frequently occurred during the withdrawal stage of missions. He trusted that the withdrawal from Rwanda would be in strict compliance with the safeguards laid down by the General Assembly to prevent such irregularities. He also hoped that any equipment donated to the Government of Rwanda would be of genuine value.

The meeting rose at 4.20 p.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

FIFTH COMMITTEE
59th meeting
held on
Friday, 10 May 1996
at 10 a.m.
New York

SUMMARY RECORD OF THE 59th MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 167: FINANCING OF THE UNITED NATIONS MISSION IN BOSNIA AND HERZEGOVINA (continued)

AGENDA ITEM 168: FINANCING OF THE UNITED NATIONS TRANSITIONAL ADMINISTRATION FOR EASTERN SLAVONIA, BARANJA AND WESTERN SIRMIUM (continued)

AGENDA ITEM 169: FINANCING OF THE UNITED NATIONS PREVENTIVE DEPLOYMENT FORCE (continued)

AGENDA ITEM 133: FINANCING OF THE UNITED NATIONS MISSION IN HAITI (continued)

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7 June 1996

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The meeting was called to order at 10.10 a.m.

AGENDA ITEM 128: FINANCING OF THE UNITED NATIONS PROTECTION FORCE, THE UNITED NATIONS CONFIDENCE RESTORATION OPERATION IN CROATIA, THE UNITED NATIONS PREVENTIVE DEPLOYMENT FORCE AND THE UNITED NATIONS PEACE FORCES HEADQUARTERS (continued) (A/50/696/Add.4 and Add.4/Corr.1, A/50/696/Add.5 and A/50/903 and Add.1)

AGENDA ITEM 167: FINANCING OF THE UNITED NATIONS MISSION IN BOSNIA AND HERZEGOVINA (continued) (A/50/696/Add.4 and Add.4/Corr.1, A/50/903 and Add.1 and A/50/906)

AGENDA ITEM 168: FINANCING OF THE UNITED NATIONS TRANSITIONAL ADMINISTRATION FOR EASTERN SLAVONIA, BARANJA AND WESTERN SIRMIUM (continued) (A/50/696/Add.4 and Add.4/Corr.1, A/50/903 and Add.1 and A/50/909)

AGENDA ITEM 169: FINANCING OF THE UNITED NATIONS PREVENTIVE DEPLOYMENT FORCE (continued) (A/50/696/Add.4 and Add.4/Corr.1, A/50/895 and A/50/903 and Add.1)

1. Mr. TAKASU (Controller), introducing the Secretary-General's report on the financing of the operations in the former Yugoslavia (A/50/696/Add.4 and Add.4/Corr.1), said that the report had been revised to reflect the evolving situation in the former Yugoslavia.

2. In Bosnia and Herzegovina, following the initialling of the General Framework Agreement for Peace in Bosnia and Herzegovina, the Security Council had decided by its resolution 1031 (1995) to terminate the mandate of the United Nations Protection Force (UNPROFOR) and, by its resolution 1035 (1995), it had established the United Nations Mission in Bosnia and Herzegovina (UNMIBH) for a period of one year pursuant to annex 11 of the Peace Agreement. The Mission consisted of an International Police Task Force (IPTF) and a civilian office. For administrative and budgetary purposes, the Office of the Special Coordinator for Sarajevo, which, with effect from 30 April 1996, had been subsumed under the arrangements established by the World Bank, the European Commission and others for rehabilitation and reconstruction of Bosnia and Herzegovina, would be treated as part of UNMIBH. In addition, by its resolution 1038 (1996), of 15 January 1996, the Council had authorized the continuation of the moratorium arrangement for the administration of the Prevlaka peninsula. On the recommendation of the Secretary-General, that arrangement had become an independent mission known as the United Nations Mission of Observers in Prevlaka (UNMOP). The estimated cost of the start-up and maintenance of UNMIBH, as well as the requirements for the Office of the Special Coordinator for Sarajevo and UNMOP, for the period from 1 January to 30 June 1996, was $52.7 million. For the 12-month period from 1 July 1996 to 30 June 1997, the General Assembly was being requested to appropriate the amount of $158,799,600 gross for the maintenance of UNMIBH, to be assessed at a monthly rate of $13,233,300 gross, subject to any subsequent extension of the Mission's mandate by the Security Council.

3. In Croatia, by its resolution 1025 (1995) of 30 November 1995, the Security Council had decided to terminate the mandate of the United Nations Confidence

Restoration Operation in Croatia (UNCRO) after an interim period ending on 15 January 1996 or when the Council had decided on the deployment of the transitional peace-keeping force. By its resolution 1037 (1996) of 15 January 1996, the Council had established the United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium (UNTAES) for an initial period of 12 months. The estimated cost of UNTAES for the period from 15 January to 30 June 1996 was $108.151 million, while, for the period from 1 July 1996 to 30 June 1997, the total cost of maintaining UNTAES and the liaison offices at Belgrade and Zagreb was estimated at $284,776,500 gross. In his report of 6 February 1996 (S/1996/83), the Secretary-General had informed the Security Council of his intention to retain liaison offices in Belgrade and Zagreb in view of the interrelated nature of the situation in the various areas of the former Yugoslavia and because of the importance of the policies of the Governments of Croatia and the Federal Republic of Yugoslavia regarding events within the region. For administrative and budgetary purposes, the Belgrade and Zagreb liaison offices would be treated as part of UNTAES.

4. The mandate of the United Nations Preventive Deployment Force (UNPREDEP) had been extended until 30 May 1996 by the Security Council in its resolution 1027 (1995) of 30 November 1995. The total resources required for UNPREDEP for the period from 1 January to 30 June 1996 were estimated to be $24,694,800 gross and, for the period from 1 July 1996 to 30 June 1997, $52,351,500 gross on a full-cost basis.

5. In his report to the Security Council on 6 February 1996 (S/1996/83), the Secretary-General had indicated that the centralized administrative support structure in UNPF would be retained for the time being. During the pre-liquidation period from 1 February to 30 June 1996, the former UNPF headquarters would provide all aspects of administrative and logistic support for new missions, assist in building up independent administrative support structures for the new missions and perform administrative liquidation tasks for UNCRO, UNPROFOR and UNPF. As separate administrative support infrastructures were established in the new missions, personnel and assets would be transferred to them as quickly as circumstances on the ground allowed. The cost estimate for the United Nations Peace Forces for the period from 1 January to 30 June 1996 was $302 million gross. That amount included provision for the phasing out of civilian and military personnel, the reimbursement of contingent-owned equipment and the settlement of third party liability claims. The total cost of the liquidation of UNPF for the period from 1 July 1996 to 28 February 1997 was estimated at $40,171,600 gross.

6. He wished, finally, to remind the Committee that the Secretary-General was still awaiting its response to his proposals for the financing of the rapid-reaction capacity.

7. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on the financing of the United Nations operations in the former Yugoslavia (A/50/903 and Add.1), said that the Advisory Committee had revised some of the Secretary-General's proposals on the basis of the information received from officials of the Secretariat. Annex IV of the report (A/50/903/Add.1), for example, contained the revised cost estimates for UNTAES for the period from 1 January to

30 June 1996, while annex III contained the revised cost estimates for UNMIBH for the period from 1 January to 30 June 1996. He would be pleased to provide during the informal consultations clarification on any reduction recommended by the Advisory Committee in the Secretary-General's cost estimates. He recalled, further, that the Advisory Committee had requested additional information on the procedures for the transfer of United Nations Peace Forces assets to the multilateral implementation forces and on the strengthening of the United Nations Protection Force with a rapid-reaction capacity.

8. Mr. FERRARIN (Italy), speaking on behalf of the European Union, welcomed the implementation of the new system of peace-keeping budgeting and the fact that the Secretary-General's reports had been available far enough in advance for the Advisory Committee and Member States to examine them before the beginning of the resumed session. However, while the format of budget submissions had been improved, in line with the mock-up budget for peace-keeping operations, in some cases the budgets were more concise than the mock-up. In that regard, the European Union welcomed the recommendations of the Advisory Committee regarding further improvements in the budget documentation.

9. The European Union regretted that, contrary to the provisions of resolution 49/233, not all the performance reports were available and that, consequently, the Secretary-General's reports on cost estimates did not provide information on actual expenditures or the latest available financial data for the period in progress. The European Union would like those problems to be addressed by the Fifth Committee at the next session.

10. Referring to the provisions of General Assembly resolution 49/233, section I, paragraphs 3 and 4, he stressed that they should be applied by the General Assembly, which had the prerogative of determining which operations were subject to fluctuations. In that regard, the European Union believed that some operations before the Committee, such as those in Angola, Bosnia and Herzegovina, Croatia, Liberia and Western Sahara, should be reconsidered at the end of the year. In those cases, the European Union would expect the various resolutions to take note of the proposed levels of cost estimates; appropriate funds for the period through 31 December 1996; approve assessments, at specific monthly rates, subject to Security Council extension of the political mandates; and request the Secretary-General to provide the General Assembly, if necessary, with updated estimates for the second half of the financial year in preparation for the discussion which would take place at the fifty-first regular session.

11. The European Union welcomed the recent improvement in the text of the financing resolutions concerning the crediting of Member States and favoured giving priority in reimbursing troop and equipment costs to those Member States that were current with their assessed peace-keeping contributions.

12. The European Union noted, as did the Advisory Committee, that the non-inclusion of the usual provision for payment to the support account for peace-keeping operations in the Secretary-General's reports was appropriate pending a decision by the General Assembly on the mode of financing the support account. In that context, it agreed with the Advisory Committee's suggestion that the resources should be prorated among the individual peace-keeping operation budgets rather than appropriated and assessed to a separate account.

13. On the basis of the current budget methodology, peace-keeping budgets must reflect the full cost of each mission. The European Union believed that when voluntary contributions covered activities otherwise financed with assessed contributions, such voluntary contributions should be fully reflected in peace-keeping budgets and the assessments should be consequently reduced. The European Union was therefore requesting the Secretary-General to prepare a report on that matter for the fifty-first session of the General Assembly.

14. Concerning the disposition of the assets of peace-keeping operations, experience showed the need for improvement in relations between the United Nations and the host countries of peace-keeping operations. The European Union agreed with the Advisory Committee's recommendation that in the future, the status-of-forces agreement should include a provision that ensured appropriate cooperation by the host country in the withdrawal of United Nations personnel and assets from missions.

15. Mr. GRANT (United States of America) said that his Government had a number of concerns about the budget proposals for the United Nations operations in the former Yugoslavia which it would raise during informal consultations. He would welcome clarification, for example, of the criteria used for determining the reimbursement levels for contingent-owned equipment. It would also be useful to know how liability claims and adjustments compared with those of other large United Nations operations, such as those carried out in Somalia and Cambodia. He was particularly concerned about the proposed length of the liquidation and pre-liquidation phases of the operations. Finally, he would be seeking additional information on the financing of the rapid reaction force and on the budget proposals for demining personnel.

16. Mr. GOKHALE (India) said that the Committee appeared to be reopening the discussion of the overall financing of peace-keeping operations. His delegation was not aware that that subject was to be taken up in the current resumed session.

AGENDA ITEM 133: FINANCING OF THE UNITED NATIONS MISSION IN HAITI (continued) (A/50/363/Add.2 and Add.2/Corr.1 and A/50/488/Add.2 and Add.2/Corr.1)

17. Mr. HOSANG (Director, Peace-keeping Financing Division), introducing the report of the Secretary-General on the financing of the United Nations Mission in Haiti (A/50/363/Add.2 and Add.2/Corr.1), said that the final mandate of the United Nations Mission in Haiti would end on 30 June 1996 in accordance with Security Council resolution 1048 (1996). The report before the Committee covered the period from 1 March to 30 June 1996 as well as the liquidation period beyond 30 June 1996.

18. For the four-month period ending 30 June 1996, it was estimated that the costs of the Mission would amount to $45.8 million gross and would provide for the repatriation of troops, reducing the troop strength on the ground to 1,200. It would also provide for the maintenance of civilian police and international and local support staff.

19. For the liquidation period, the cost was estimated at $15.6 million and would provide for the repatriation of the civilian police and the military

contingent of 1,200, the closing of base camps and the closing down of the Mission.

20. The actions to be taken by the General Assembly at its fiftieth session were described in paragraph 29 of the Secretary-General's report and included the appropriation of an amount of $45.8 million gross with assessment of an additional amount of $25.8 million for the period from 1 March to 30 June 1996, as well as the appropriation and assessment of the amount of $15.6 million gross for the liquidation of the Mission.

21. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on the financing of the United Nations Mission in Haiti (A/50/488/Add.1 and Add.2/Corr.1), said that the report examined the cost of a scaled down mission with, inter alia, 1,200 troops, excluding 700 Canadian troops, and 300 civilian police monitors for the period ending June 1996 and of its liquidation over a seven-month period starting 1 July 1996 and ending on 31 January 1997. The Security Council had extended the Mission for a final period from 1 March to 30 June 1996. As indicated in paragraph 9 of the Advisory Committee's report, the cost for that period was estimated at $45.8 million, while the liquidation was estimated to absorb another $15.6 million. Paragraph 11 of the report contained information on the cost of the additional Canadian contingent of 700 troops, about $7.2 million, which was to be borne by the troop contributor. The United Nations would bear the indirect costs.

22. On the basis of its review of the estimates, the Advisory Committee recommended, in paragraph 21, the appropriation of $60.8 million gross for the Mission from 1 March to 30 June 1996 and for the liquidation for the period ending 31 January 1997. The exact amounts to be assessed were also indicated in that paragraph.

23. As indicated in paragraphs 6 and 7 of its report, no performance report had been available to the Committee for the period 1 August 1995 to 29 February 1996. The Advisory Committee had requested, and had received from the Secretariat, interim performance data which were reflected in annex 1 to its report. The data indicated a preliminary saving of about $10 million. The figure was preliminary and the Advisory Committee had not felt justified at that time to recommend definitively that the preliminary saving of $10 million should be taken into account in the recommendations on additional assessments. However, on the basis of any additional up-to-date information which the Secretariat could be requested to provide, the Fifth Committee might consider the ultimate disposition of the preliminary savings of $10 million.

The meeting rose at 11 a.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

FIFTH COMMITTEE
60th meeting
held on
Wednesday, 15 May 1996
at 3 p.m.
New York

SUMMARY RECORD OF THE 60th MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 3.20 p.m.

ORGANIZATION OF WORK

1. The CHAIRMAN drew attention to a note prepared by the Secretariat regarding the normalization of the situation concerning South Africa, in response to queries from a number of delegations.

AGENDA ITEM 17: APPOINTMENTS TO FILL VACANCIES IN SUBSIDIARY ORGANS AND OTHER APPOINTMENTS (continued)

(b) APPOINTMENT OF MEMBERS OF THE COMMITTEE ON CONTRIBUTIONS (continued) (A/50/952; A/C.5/50/7/Add.1)

2. The CHAIRMAN said that the Secretary-General had informed the General Assembly that he had received notification of the resignation of Mr. Yuri Chulkov of the Russian Federation from membership of the Committee on Contributions, and was requesting the General Assembly to make an appointment to fill the unexpired portion of his term of office until 31 December 1996. The Government of the Russian Federation had nominated Mr. Evgueni Deineko to fill the unexpired portion of that term.

3. Since there were no other candidates, he would take it that the Committee decided, by acclamation, to recommend to the General Assembly the appointment of Mr. Evgueni Deineko as a member of the Committee on Contributions, effective on the date the General Assembly took up the item and ending on 31 December 1996.

4. It was so decided.

AGENDA ITEM 116: PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued) (A/50/7/Add.16; A/C.5/50/57 and A/C.5/50/66)

Progress report on the implementation of the programme budget for the biennium 1996-1997

5. Mr. CONNOR (Under-Secretary-General for Administration and Management) introduced the report of the Secretary-General on the implementation of the programme budget for the biennium 1996-1997 (A/C.5/50/57). In response to action by the General Assembly on the programme budget for the biennium, the Secretariat had identified an estimated $140 million in reductions over the biennium, which, although not the full amount mandated, represented a good beginning. Vacancy rates were currently estimated at 9 per cent for Professional posts and 7 per cent for General Service posts, and there had been changes in programme delivery and services. The efficiency gains to be realized over the biennium were seen as a positive response to the requirement by the General Assembly that mandated programmes and activities were to be delivered in the most effective and efficient way. The Advisory Committee on Administrative and Budgetary Questions had found that economies could be achieved in a number of areas, including productivity gains as a result of technological innovations.

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more cost-effective expenditure on travel and consultants, and a review of publications.

6. Notwithstanding sincere efforts to achieve efficiency gains, however, the required savings could not be achieved without some impact on staffing. The proposed programme budget for 1996-1997 had abolished 200 posts. The approved budget would require an estimated 800 vacancies during the biennium. As at 31 March, 673 posts had been reported vacant; approximately 100 more had been achieved since that time. The Secretariat was thus entering the last phase of voluntary terminations.

7. For the first time, the current programme budget reflected efficiency gains, and an Efficiency Board had been established in November 1995 to advise the Secretary-General. Efforts were being accelerated through departmental efficiency reviews and longer-term reviews of issues that cut across several departments or the entire Secretariat. Efficiency measures already included in the 1996-1997 programme budget included investment in office automation technology, a reduction of posts associated with the implementation of the Integrated Management Information System (IMIS), the contracting out of selected building management and archival functions in New York, and the establishment of common support services in Nairobi. Every department and office was also carrying out efficiency reviews in order to mitigate the negative impacts of budget reductions and to address the need to provide better performance and service for Member States. Indeed, a number of Member States were contributing experience and expertise to the process. The first step was to identify issues with potential efficiency payback - some 350 such issues had been identified by programme managers thus far and incorporated into a planning document. Action managers were then given responsibility for implementation of recommendations. Examples included savings in the areas of documents production, travel costs, scheduling of night and weekend shifts in the Office of Conference and Support Services and consolidating computing services. Longer-term efficiency reviews in such cross-sectoral areas as simplification of personnel rules and regulations and financial rules, more effective use of information technology and travel were expected to yield further efficiencies.

8. The long-term purpose of the exercise was to embed efficiency in the Organization's planning. In September 1996, the Secretary-General would issue a report to the General Assembly on comprehensive measures to achieve efficiencies. The programme budget for 1997-1998 would institutionalize those efficiencies and would reflect a significant organizational shift.

9. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the report of ACABQ contained in document A/50/7/Add.16. He noted that, in its resolution 50/214, the General Assembly had requested a potential total of five reports on that subject to be submitted in 1996 alone. The Advisory Committee was of the view that, at a time of increasing demand for streamlining procedures, an integrated reporting approach should be adopted. The Advisory Committee had also commended the Secretariat for the large amount of work it had done to prepare the report in the short time given; however, the report was quite general and lacked the detail the Fifth Committee expected in a report which might have become a vehicle for adoption of

a revised budget section by section. The next report should be presented in the format of a budget document.

10. The Advisory Committee had discussed at length the proposals of the Secretary-General to implement the reductions mandated by the General Assembly. To implement the reductions, not only would vacancies for Professional posts be raised above the level assumed in the initial budget, but those for General Services would also be increased above that referred to in resolution 50/214. The higher vacancy rate would be necessary to implement the mandated reductions and had resulted from the review carried out by programme managers. In addition, non-staff costs would have to be reduced. At the current stage, the reductions totalled $91 million for staff costs and $49 million for non-staff costs, for a total of $140 million, instead of the $154 million projected by the Secretary-General.

11. With regard to termination of staff and payment of indemnities, the Secretariat must be more transparent regarding the buyout programme, as its overall objective, particularly as it concerned Professional staff, was not quite clear. The Advisory Committee had requested additional information on the $25.5 million paid in termination indemnities during the biennium 1994-1995 and another potential $15 million to be paid in 1996, but none had been made available. In view of the vacancy situation and the financial situation of the Organization, such spending for termination indemnities required further justification. The impact of the recruitment freeze, as well as measures to confine recruitment of temporary language staff largely to the local market, required careful monitoring with the objective of redressing any adverse effect on United Nations operations and its character as an international organization. In that connection, the Advisory Committee had been informed that exceptions, subject to specific conditions, would be applied to the recruitment freeze.

12. The relationship between the efficiency reviews and the proposed measures to implement the reductions was not very apparent in the Secretary-General's report. A close analysis of that report could lead to the impression that there were two separate exercises, the efficiency reviews, on the one hand, and a review involving programme managers, on the other. The Advisory Committee had cautioned against the establishment of yet another layer of bureaucracy to deal with reviews and evaluation of operations. For those reviews to have a lasting effect, they must be an integral part of programme formulation and implementation, with the goal of achieving efficient operations in the long term. Some of the measures proposed to effect budget reductions might produce short-term gains, but in the long run could be more costly. For example, it was not advisable to reduce investment in new technology. The current technology infrastructure and information systems needed urgent overhaul, and to that end, the Advisory Committee called for a strategy for technological development to be part of the budget proposals for the biennium 1998-1999.

13. In its conclusions, ACABQ had stated that the extent to which resolutions 50/214 and 50/215 could be implemented was not a technical, but a political judgement; it was for Member States to decide whether the evidence available thus far called for a mid-course correction or for measures to reinforce the implementation of those resolutions. The Secretary-General had projected reductions of $140 million; the Advisory Committee doubted whether even that

lower target could be achieved unless more was done. Should that be the view of the General Assembly, action to be taken was indicated in paragraph 40 of the ACABQ report. The United Nations had a programme budget, which was linked to the level of services, programmes and activities to be delivered. The General Assembly had changed the resource side of the equation but had demanded that services should be delivered and programmes implemented fully. The reports of the Secretary-General and of ACABQ concluded that it would be difficult to implement the mandated reductions. If the reductions were to be implemented fully and more were to be absorbed, then the Advisory Committee had stated that there was a need to avoid a general deterioration in the quality of virtually everything the United Nations did by reviewing programmes so as to allow priority activities to be carried out. For that exercise to have any meaning, the relevant intergovernmental machinery charged with programme formulation and approval must be involved, as ACABQ had stated continually for decades.

14. The Advisory Committee referred to General Assembly resolution 41/213 in paragraph 42 of its report; the impact of that resolution on the budgetary process might not be fully appreciated. The resolution had three components: a provision for an outline leading to a programme budget, a contingency fund provision and a mechanism to deal with additional costs, such as those related to inflation, currency fluctuations or the maintenance of peace and security. The resolution also called for broad agreement on the budget outline, which in practice had meant that, with very few exceptions, almost all decisions were taken by consensus. It was a misconception that the resolution did not call for absorption: it did. It required that additional appropriations should be considered only when the Secretariat had demonstrated to the General Assembly that it had been impossible to absorb all additional costs. It could be argued that there was nothing in the budgetary process that could not be changed, including resolution 41/213. Those who thought that the resolution was no longer relevant or should be ignored, however, should consider any alternative course of action very seriously. He would not advise a change in the provisions of that resolution.

15. Under current procedures, the estimated expenditure of $120 million referred to in annex VII of the report of ACABQ would not have been included by the Secretary-General in his initial budget estimates unless there had been a legislative mandate for such action. That procedure would prevent the initial budget from being inflated with costs which might not be required and would permit a much more realistic budgetary provision once the General Assembly or other competent organs had taken the necessary decisions. If it were to be argued, however, that such costs should be included, then a different approach would have to be followed in calculating the budget. Accordingly, ACABQ advised that a careful technical examination must be made of the issues concerning additional expenditure, especially that related to peace and security and to currency fluctuations and inflation, prior to a change in the manner in which those additional costs were being dealt with.

16. In accordance with the procedure set out in resolution 41/213, the budget outline for 1998-1999 should be approved by the end of 1996. Several policy issues must be resolved prior to the adoption of the outline. In the report of the Secretary-General and in testimony before ACABQ, reference was made to activities that had been postponed or delayed, but not abolished. Secondly, the

number of vacant posts would remain unfunded for the rest of the biennium. The General Assembly would have to provide further guidance on those matters to facilitate the preparation of the outline. In arriving at its decision, the General Assembly would no doubt wish to profit from the views of the relevant intergovernmental bodies as to the future of activities that had been postponed.

17. Mr. GUTIÉRREZ (Costa Rica), speaking on behalf of the Group of 77 and China, expressed support for the Advisory Committee's conclusions in document A/50/7/Add.16. He reiterated the Group's position that the programme budget for the biennium 1996-1997 was still fully valid, and that the adoption of the budget did not constitute a ceiling on expenditures. There were established procedures for revision of the budget, the inclusion of new mandates and the financing of additional activities from the contingency fund, but those procedures presupposed consultations among the Member States. Moreover, General Assembly resolution 50/214 reaffirmed that changes in mandated programmes and activities were the prerogative of the General Assembly, and stated that savings in the proposed programme budget must not affect the full implementation of mandated programmes and activities in both qualitative and quantitative terms. As stated in the Advisory Committee's report, as a result of the partial implementation of some programmes, there had been a general deterioration in the quality of all United Nations activities.

18. For the requisite consultations with Member States on the subject of cost savings to be effective, Secretariat reports needed to contain clear and precise statements of the amounts to be saved, the methods of achieving those savings, and both the general and specific impact such methods would have on the programmes concerned. The Group felt that the Secretary-General's report in document A/C.5/50/57 was not completely clear in those areas.

19. The General Assembly had requested the Secretary-General to strengthen the Joint Inspection Unit (JIU) and fill the vacancies in that Unit as soon as possible; such provisions would have the effect of excluding the Unit from the current exercise. The information given in the Secretary-General's report concerning post reductions was not only confused but also, in some cases, inaccurate.

20. The Group requested clarification of the Secretary-General's proposal to implement significantly higher vacancy rates for Professional and General Service staff than those called for in the Assembly's resolution. It was apparent that financial requirements for voluntary separations were far greater than had been indicated by the Secretary-General, and there was also a need for more precise information about the redeployment of staff. Moreover, the Group questioned the appropriateness of continuing to recruit new staff when serving staff were being separated.

21. The Group believed that the proposals to achieve the savings called for in the programme budget for the biennium 1996-1997 remained just that, namely, proposals only, to be carried out only after being discussed and approved by Member States. Any action taken without such a mandate did not reflect the will of Member States. It was important to recall the role of intergovernmental bodies in considering the programme of work, so as to provide appropriate and clear information to the Secretary-General.

22. Mr. KONISHI (Japan) expressed his delegation's view that the Secretary-General's report was not fully responsive to General Assembly resolution 50/214, and that further discussion of the matter would be required at the fifty-first session of the General Assembly. The reductions in expenditure identified in the report fell $14 million short of those called for in the resolution and were perhaps not achievable in any case; more information was required regarding the nature of the "efficiency gains" required to make up the shortfall.

23. The Secretary-General's report did not make a clear distinction between those savings measures that were the sole prerogative of the Secretary-General and those which required approval by the General Assembly or other intergovernmental bodies. The Japanese delegation also joined the Advisory Committee in calling for more detailed information on the impact of economy measures on individual programmes, so as to enable Member States to conduct the necessary review of programme priorities.

24. His delegation therefore requested the Secretariat to submit its next report at the earliest opportunity in the fifty-first session of the General Assembly, and asked for the Secretariat's views regarding the feasibility of the Advisory Committee's recommendation that the relevant intergovernmental bodies should review the programme of work for the biennium 1996-1997.

25. He noted that the proposed vacancy rate for Professional staff greatly exceeded the level specified in General Assembly resolution 50/214, and expressed his delegation's view that more non-staff economies should be sought in order to avoid an undesirable impact on the delivery of mandated activities. His delegation strongly believed that national competitive examinations should continue to be used to recruit qualified personnel. He also requested detailed information from the Secretariat regarding the number of staff to be separated, as well as a detailed analysis of the buyout programme and its effect on cost savings in the current biennium. His delegation doubted the appropriateness of using such a programme for reducing staff costs if it would require additional resources to pay separation entitlements to departing personnel.

26. His delegation wished to know whether the Secretariat intended to seek further savings so as to absorb the $120 million in additional costs cited in the Advisory Committee's report, and also called for more information regarding the activities of the Efficiency Board. The issue of recosting and its effect on the proposed programme budget for the biennium 1998-1999 were of particular interest to his delegation. Finally, given the unique worldwide function of the Organization, his delegation was of the view that reducing the budget should not be an end in itself but rather a means of strengthening the Organization.

27. Mr. HANSON (Canada), speaking also on behalf of Australia and New Zealand, commended the cooperation of most programme managers in identifying possible budget reductions, and urged the Joint Inspection Unit to join in that cooperative effort. He expressed gratitude for the additional information on reductions provided by the Advisory Committee and the view that the mandated savings could be fully achieved without adversely affecting the Organization's programme of work.

28. In view of the three delegations' repeated emphasis on the need to safeguard programme delivery by concentrating reductions on non-programme activities, he called for greater reductions in the appropriations for the Department of Administration and Management, as well as in those for the executive office and administrative functions of other departments. Efforts should also be continued to reduce the ratio of General Service to Professional staff.

29. The Secretary-General could best formulate proposals for suspending or modifying activities or reordering priorities in order to achieve desired savings, and it was essential that substantive dialogue on such proposals should take place between the Secretariat and the competent intergovernmental bodies.

30. Mr. ODAGA-JALOMAYO (Uganda) expressed his delegation's general support for the recommendations contained in the Advisory Committee's report. The Secretary-General's proposals fell too far short of the requirements of General Assembly resolution 50/214, since, in his delegation's view, delays in the delivery or deterioration in the quality of mandated programmes meant that those programmes were not being fully implemented. Moreover, the postponement of maintenance and repair programmes could lead to higher future resource requirements.

31. Member States needed more detailed information on the impact of specific cost-saving measures. The Secretary-General's report contained no proposals to realize savings without affecting programme implementation, nor did it state which mandated activities would be postponed, delayed or deferred. His delegation also requested clarification of the Secretariat's views on absorption, deferral, delay and postponement in the context of achieving the desired efficiency gains. It was the responsibility of the General Assembly to decide on modifications of mandated programme activities, as well as on measures affecting staffing. Moreover, the review of programme activities was the responsibility of the programme-formulating bodies, and those bodies would have to provide the Secretary-General with guidelines for the biennium 1988-1989.

32. Ms. PEÑA (Mexico) reiterated her delegation's belief that the programmes and activities mandated by the General Assembly should be respected and fully implemented. Any contemplated cost reductions should be fully consistent with that goal. All of the Organization's budget sections should be considered in a fair, equitable and non-selective manner.

33. She was surprised that the Joint Inspection Unit had not put forward any cost reduction proposals. She hoped that the Unit would cooperate with the Secretary-General to achieve savings.

34. Her delegation supported the Secretary-General's efforts to improve efficiency as part of his comprehensive management reform plan and the steps that were being taken to simplify procedures with regard to financial administration, travel and documentation.

35. It would be helpful to receive clarification on the introduction of the lateral deployment programme and its implications with respect to achieving an average vacancy rate of 9 per cent for General Service staff and 7 per cent for

Professional staff. More details were also required regarding the lack of provision for savings under budget section 7B, "Africa: critical economic situation, recovery and development", and section 29, "Office of Internal Oversight Services". She also wished to know what projects were being considered for deferral under section 31, "Construction, alteration, improvement and major maintenance".

36. The deferral of 16 non-periodic reports and meetings of ad hoc groups of experts of the Economic Commission for Latin America and the Caribbean was of particular concern to her delegation, as was the higher level of savings envisaged for that regional commission.

37. Regarding the proposal to reduce the number of disarmament fellowships from 25 to 15, she wondered whether savings in that area could be made by cutting travel costs. It would be premature to consider savings under section 10A without taking account of the conclusions of the ninth session of the United Nations Conference on Trade and Development regarding changes to the Conference's work programme.

38. Since her delegation favoured the full implementation of the measures adopted by the General Assembly and the Commission on Human Rights with regard to the United Nations Decade for Human Rights Education, she did not consider it advisable to identify possible savings in that section's programme of publications. She was also concerned about the lower level of staff support for the missions of special rapporteurs.

39. The budget cuts proposed under section 26 should not affect the provision of conference services beyond the agreed level. In that respect, her delegation had been alarmed by the contents of document A/C.5/50/66 regarding the possible deterioration in such services.

40. Generally speaking, she wished to draw the Committee's attention to the fact that, in the long run, short-term savings often had the opposite effect to what had originally been intended.

41. Mr. GELBER (United States of America) said that the Secretary-General had made an admirable effort in identifying reductions in the range of $140 million to be achieved over the current biennium. Those savings represented significant progress towards the total reductions of $154 million that had to be identified in order to reach the budget level of $2.608 billion. The Secretary-General's report represented the first tangible step in streamlining the budget and establishing a biennium budget level.

42. It was imperative that the budget should stay within the level established for the biennium. Resources required to finance new and unfunded activities had to be absorbed within the $2.608 billion budget level. The Secretariat had estimated additional requirements for the biennium at $120 million to cover unfunded activities. Much needed to be done to ensure that expenditures did not exceed the approved budget level.

43. While believing that further efficiency savings were attainable, his delegation recognized that such savings were limited in scope and might not

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yield savings in the magnitude required to absorb the estimated additional requirements. Attention would have to be focused by Member States and the Secretariat on the mandates which underpinned activities and programmes. Priorities would have to be defined and reordered if the Organization was to achieve the desired level of savings. The Secretary-General was in the best position to know which mandates were good candidates for collective review. His delegation therefore requested the Secretary-General to undertake a review of all mandates and make recommendations to the Member States for action. It was the responsibility of Member States to make hard choices among priorities.

44. Mr. ELZIMAITY (Egypt) said that the situation was extremely confused and his delegation had a number of questions to put to the Under-Secretary-General for Administration and Management. His delegation was currently not in a position to say that it took note of the report because it felt that by merely saying so it would give the Secretariat the green light to interpret it in a particular way.

45. The Under-Secretary-General should clarify exactly what the Secretariat was expecting from the General Assembly, and in particular whether there were specific elements which required the General Assembly's approval. He wondered whether there was anything the Secretariat could do without the General Assembly's approval.

46. Regarding personnel matters, additional information should be provided as to the programmatic justification for keeping certain posts vacant. His delegation would be interested to learn on what basis such a selective approach had been taken. Furthermore, he asked for confirmation that the high vacancy rate would not affect the full implementation of mandated activities.

47. It was unclear what treatment would be reserved for the vacant posts at the end of the biennium; he wondered whether they would be proposed for abolition in the 1998-1999 budget. If that was indeed the intention, his delegation failed to understand why the Secretary-General had not already submitted proposals to that effect. His delegation expected a full and detailed explanation as to the number of staff remaining in all categories as a result of attrition, retirement, early separation, redeployment and involuntary separation. The Under-Secretary-General should also explain why the Administration was offering such a generous and costly early separation programme if the Secretary-General could achieve most of the staff reductions required by strictly observing the freeze on recruitment. More information was required concerning the financing of the buyout programme and the number of staff who would have to be separated involuntarily. In particular, the Under-Secretary-General should elucidate the legal basis for such separations and indicate what action was required by the General Assembly in that regard.

48. His delegation would welcome confirmation that, given the drastic departmental reductions in services and activities, all mandated activities would continue to be fully implemented. It was unclear what would happen to those activities scheduled for curtailment, delay or postponement. The implications of the entire process for the following budget were also unclear; specifically, he wished to know whether the next budget would be smaller than the present $2.6 billion.

49. Regarding the efficiency review, his delegation was still awaiting details relating to the total support provided to the Efficiency Board. The Under-Secretary-General should confirm his earlier position that, if the regular budget continued to be used to finance the Efficiency Board, it should be disbanded. More information was required about the planned target of additional savings through the efficiency review. In addition, his delegation failed to see the connection between the budget reduction and the efficiency review. Specifically, clarification was needed as to whether the Under-Secretary-General planned to cut more than $154 million through the review. Moreover, the Secretariat had indicated that the review comprised three phases; he would like to know which phase had currently been reached.

50. Finally, his delegation indicated that it was not in a position to renegotiate the budget approved by the General Assembly in December 1995. In addition, he shared that view that any new mandate or activity would require new additional funding while rejecting the notion of a budget cap. Such a concept was simply alien to an international organization in which the will of the members had to be respected through constructive compromise.

AGENDA ITEM 159: HUMAN RESOURCES MANAGEMENT (continued) (A/50/7/Add.8, A/50/540; A/C.5/49/13, A/C.5/49/60 and Add.1-2 and Add.2/Corr.1, A/C.5/49/63, A/C.5/49/64; A/C.5/50/2 and Add.1, A/C.5/50/3, A/C.5/50/61, A/C.5/50/64; A/C.5/50/L.2)

51. The CHAIRMAN drew the attention of the Committee to the reform of the internal justice system in the United Nations Secretariat. The issue had been left in abeyance for the previous two consecutive sessions of the General Assembly since the Committee had been unable to agree on the best course of action to follow with regard to the Secretary-General's proposals. In order to break the deadlock, he intended to invite a group of delegations to discuss the issue in the near future.

52. Mr. HALLIDAY (Assistant Secretary-General for Human Resources Management), introducing document A/C.5/50/64 concerning reasonable time for staff representational activities, said that the information contained therein constituted the most accurate data which the Office of Human Resources Management had been able to gather from the nine major duty stations of the global Secretariat about their staff representational bodies. Together with related reports from the previous session, the document indicated the actual costs incurred through the granting of official time to individuals elected to serve as senior officers in staff representational executive committees.

53. The documents before the Committee also set out the mandates for staff-management and staff representational activities and explained the understandings under which the staff-management consultative process took place at both global and local levels. Membership of global and local bodies and their meeting schedules had also been indicated, as had the role and functions of staff representatives.

54. Costs of staff-management activities could be identified as both direct and indirect charges against the regular programme budget. Direct charges comprised travel and subsistence, full-time support staff costs, and expenditure related

to supplies and communications. Indirect costs related to staff time which was devoted to representational activities.

55. The renewed interest of the Fifth Committee in the matter coincided with the Secretary-General's concern to have a clearer definition of the amount of time considered to be "reasonable" for the conduct of such activities. A clearer definition would offer obvious advantages to both management and staff in facilitating work planning and programme delivery, thereby assisting staff representatives to plan effectively the time available to them to carry out their regularly assigned functions without detriment to their own personal career responsibilities and objectives.

56. The definition of "reasonable time" presented in document A/C.5/50/64 was significant in that, for the first time and in a spirit of accountability and responsibility, there was a quantifiable statement of how much time staff were believed to require to fulfil their representational responsibilities. Staff representatives viewed those arrangements as the minimum level of release required if they were to carry out their duties effectively.

57. The preliminary estimate of the indirect cost of applying the "reasonable time" formula contained in the annex to document A/C.5/50/64 was $2.4 million at 1996 rates. Those arrangements had been made prior to the adoption of General Assembly resolutions 50/214 and 50/215. The Secretariat was currently in a very different position with regard to its financial and human resources. Nevertheless, he wished to reaffirm his belief that a constructive staff-management consultative process could have a beneficial effect on the functioning and activities of the global Secretariat and also on the implementation of change.

58. Mr. DUVAL (Director, Translation and Editorial Division) said that pursuant to General Assembly resolution 49/222 B of 20 July 1995, a report proposing a comprehensive policy on the use of retirees was being prepared and would be submitted to the General Assembly at its fifty-first session. Pending consideration of the report, it had been decided that an annual ceiling of $12,000 would be imposed on the earnings of retirees. At the same time a derogation for the fiftieth session had been authorized in respect of conference services.

59. Document A/C.5/50/61 recommended that the temporary derogation granted to conference services should be extended until 31 December 1996. Unless action was taken by the General Assembly during its resumed fiftieth session to extend the derogation, the enforcement of the $12,000 limit was likely to have a negative impact on conference servicing during the fifty-first session. The report currently before the Committee outlined the specific reasons why conference services relied so heavily on retirees. First, the permanent staff resources of conference services were insufficient to deal with the workload throughout the year, and hence recourse to temporary staff was both necessary and frequent.

60. Second, retired language staff accounted for a significant proportion of the temporary assistance recruited by conference services for obvious reasons of

efficiency, since such staff did not need to be trained in the requirements of the Organization.

61. Third, locally recruited temporary assistance was by far the least expensive, and the overwhelming majority of freelance staff in that category happened to be United Nations retirees.

62. The application of the $12,000 limit would mean that the local market would be exhausted before the end of the autumn session of the General Assembly, which in turn would mean that non-local temporary staff would have to be recruited at some point during the session with all the additional costs which such a procedure would entail. In some cases, the Organization would experience difficulty in recruiting sufficiently experienced personnel once the traditional sources had dried up.

63. He trusted that the derogation could be extended to 31 December 1996. By then the General Assembly would have considered the issue of a comprehensive policy on the use of retirees and it was hoped that a regime would be established which would take into account the specific needs of conference services.

64. Mr. GOKHALE (India) noted that questions had been raised concerning the proposed reform of the internal system of justice by both the Staff Union and the United Nations Administrative Tribunal. Further reflection was needed, and it might not be possible to find time to deal with the issue at the resumed session. In particular his delegation shared the views of the Advisory Committee and of the Administrative Tribunal that consideration needed to be given to whether arbitration was the right method for the settlement of administrative disputes; whether the replacement of the Joint Appeals Board by the Arbitration Board would result in more independence, given that the Secretary-General would make appointments to the Board; whether the new system would circumscribe the Secretary-General's authority under the Charter to decide on administrative issues, in view of the binding nature of the arbitration; whether the ends of justice were served by making the Chairman of the Arbitration Board the Chairman of the Disciplinary Board; whether the new system would apply uniformly to the common system and whether the International Civil Service Commission had been consulted; and whether, as stated by the Administrative Tribunal, the new system would cost more. The Advisory Committee had also raised the issue of remuneration for the members of the Arbitration Board and the cost of additional staff requirements.

65. At a time of savings of $154 million, reductions in personnel, curtailment of mandated activities and proposals from some delegations that additional mandates should be absorbed within the level of $2.608 billion approved by the General Assembly, it served no purpose to look at additional mandates when it was quite clear there would be no additional funding.

66. Mrs. GRAHAM (United States of America) noted that in informal consultations the Assistant Secretary-General for Human Resources Management had indicated that the indirect costs of staff representational activities were approximately $2 million per annum. Adding in the direct costs it seemed likely that the full

amount was $3 million per annum. That amount was unacceptable, and she wished to know whether the staff defrayed any of the costs incurred.

67. On the question of the employment of retirees, her delegation had made it very clear that the Office of Conference and Support Services had been granted a one-year derogation to allow it to devise a system whereby there would be no need to use retirees in excess of the $12,000 limit. It seemed, astoundingly, that nothing had been done to prevent such "double-dipping". The Committee would note that the original exemption had been granted in 1982, and it could certainly not be extended. Her delegation urged the aggressive use of outsourcing in such areas as translation to resolve the issue.

68. Mrs. EMERSON (Portugal) said that her delegation shared the Secretary-General's belief that good consultative relations had a beneficial effect on the global Secretariat and that her Government supported the existence of staff unions. She welcomed the provision of more accurate data in that regard, and looked forward to consultations at which efforts should be made to reach a decision that was fair to the staff, the Administration and Member States.

69. Mr. NASCIMENTO (Brazil), Mr. PALIZ (Ecuador), Mr. ELZIMAITY (Egypt) and Mr. GREIVER (Uruguay) endorsed the statement made by the representative of India, and suggested that the views of the Sixth Committee should be sought on reform of the internal system of justice.

70. Ms. CAIRNS (United Kingdom) said that her delegation would welcome discussion of the direct and indirect costs of staff representation activities in informal consultations. She asked whether there were staff subscriptions to the Staff Union, and, if so, to what use such subscriptions were put. On reform of the internal system of justice, she agreed that the matter should be postponed and referred to the Sixth Committee for its views.

71. Mr. STÖCKL (Germany) said that his delegation would welcome an organizational chart showing the new structure of the Office of Human Resources Management, and would like an indication of how an independent classification service was still guaranteed, and in particular of whether recruitment and placement were separate from the classification function.

72. Ms. BUERGO RODRIGUEZ (Cuba), supported by Mr. AMARI (Tunisia), agreed that the Committee should defer consideration of reform of the internal system of justice and that the views of the Sixth Committee should be sought.

73. Mr. GODA (Japan) endorsed the comments by the representatives of the United States and of the United Kingdom on staff representation. It was his understanding that the Secretariat was finalizing a policy on the use of retirees and he wished to know what stage matters had reached, before the Committee took a decision. His delegation could not support an unconditional extension of the exemption for conference services. Regarding the restructuring of the Office of Human Resources Management, he looked forward to hearing the views of the Secretariat on human resources management and, in particular, planning capacity, at the fifty-first session.

74. Mrs. EMERSON (Portugal) supported the request by the representative of Germany for an organizational chart. While her delegation did not object to the views of the Sixth Committee being sought on the reform of the internal system of justice, that Committee's responsibility was to consider legal issues affecting States. If it was really necessary, the Sixth Committee might hold a brief resumed session so that the issue could be disposed of at the current session. Lastly, she could not accept that budgetary constraints should stop any delegation from considering any proposal that it deemed worthy of consideration. Her delegation would review the proposals before the Committee, which would improve management within the Organization, on their merits, without being held hostage to the view that there must be a cap on the budget.

75. Mrs. GRAHAM (United States of America) said that her delegation did not agree that the question of the internal system of justice should be referred to the Sixth Committee, and urged the early holding of informal consultations.

76. Mr. HANSON (Canada) said that the exemption for conference services had been approved at the forty-ninth session on the understanding that no further derogations would be approved. Nevertheless, there was now a thinly substantiated request for a further extension, which his delegation was reluctant to approve. While he did not object to seeking the views of the Sixth Committee on reform of the internal system of justice, that body dealt essentially with international treaty law, and it might be more relevant to seek the views of the Legal Counsel.

77. Mr. HALLIDAY (Assistant Secretary-General for Human Resources Management) said that the staff certainly did subsidize the staff-management consultative process, but that he would provide full figures as well as details of direct and indirect costs in informal consultations. He welcomed the Committee's views on the reform of the internal system of justice, and noted the deep concern of staff representatives at the imperfections in the current system.

78. Full details of the restructuring of the Office of Human Resources Management could be provided in the informal consultations, but he noted that the loss of 36 posts since mid-1995 had necessitated rationalization. The D-1 and P-5 posts authorized by the General Assembly for planning - an area of great importance to the Office - were both encumbered by experienced staff members, at the head of a planning team. The posts authorized for career management and performance management had been placed with the Training Service and Examinations and Tests Section, since they embodied skills common to those areas. These changes had strengthened performance management capacity throughout the Secretariat. Training capacity for the Performance Appraisal System and management capability were now subsumed under the same area.

79. Regarding classification, new capacity had been introduced in clusters, and classification officers had been outplaced to allow clusters to conduct first-level classification work for the Secretariat worldwide. Staff had been designated to deal with classification policy and appeals, while the Organizational Manual would be handled at a lower level.

80. Lastly, efforts were being made to improve communication to redress the lack of information for staff and managers. For example, substantive input to

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the Secretariat News was being enhanced and frequent communications were being issued regarding attrition, redeployment and early separation to make sure that staff understood the efforts being made to deal with a situation that many viewed as threatening.

81. Mr. DUVAL (Director, Translation and Editorial Division) said that he had taken note of the comments and concerns expressed by the representatives of the United States, Japan and Canada. Conference services had not stood idle in attempting to reduce its reliance on retirees for temporary assistance. An aggressive policy to develop contractual translation was being pursued and in 1995 some 17 per cent of all translations had been handled on a contractual basis. Special efforts had also been made to expand the roster of local freelance interpreters and translators, although that would take time given limited availability on local markets at all duty stations. The Committee would note, for example, that the difficulty of recruiting translators, revisers and interpreters meeting the Organization's exacting standards was such that only 15 of 3,500 applicants had been selected from the most recent recruitment examination for French translators. It was not easy to obtain dramatic results in only a few months through recourse to the local market. The $12,000 limit had been set on an interim basis pending consideration at the fifty-first session of a policy on the use of retirees. In the report before the Committee the Secretary-General was simply requesting that the derogation granted to the Office of Conference and Support Services on an interim basis should be extended until such time as a general policy could be established at the fifty-first session.

82. The CHAIRMAN said that since the Committee was not in a position to take decisions on the reports relating to reform of the internal system of justice and the use of retirees, those questions would be referred to informal consultations.

The meeting rose at 6.10 p.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

FIFTH COMMITTEE
61st meeting
held on
Thursday, 16 May 1996
at 3 p.m.
New York

SUMMARY RECORD OF THE 61st MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 3.25 p.m.

AGENDA ITEM 116: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued)

Commitments in respect of new mandates (A/C.5/50/67)

1. Mr. CONNOR (Under-Secretary-General for Administration and Management), introducing the report of the Secretary-General on commitments in respect of new mandates to be carried out in Haiti, Guatemala, El Salvador and Rwanda (A/C.5/50/67), noted that while resources for those mandates had not been provided for in the 1996-1997 programme budget, the Secretary-General had been authorized to enter into commitments aggregating $24.7 million. In the case of Haiti, Guatemala and El Salvador, the General Assembly mandate required implementation from within existing resources.

2. The Secretary-General's report on possible means of absorption of the cost of the four mandates reflected the context of a potential overall cost of $51 million in 1996 and $69 million in 1997 for approved and prospective new mandates over the biennium, as well as his earlier efforts to reduce the budget by $98 million and current efforts to submit a revised programme budget with reductions of a further $154 million, so as to achieve an appropriation level of $2.608 billion.

3. At present reductions of $140 million appeared feasible, and the Secretary-General believed he would be able to respond positively to the full mandated reductions at the fifty-first session while carrying out all mandated activities. A key element in that regard were the efforts to promote efficiencies throughout the Organization, which were having a positive impact on cost structures while preserving the core values of mandated activities. Nevertheless, absorption of additional costs could not be achieved while implementing the full programme of work as initially envisaged. The Secretary-General, in continuing his efforts to promote efficiencies beyond those necessary to achieve an appropriation level of $2.608 billion, would require the continuing support of Member States.

4. While the Secretary-General intended to submit, with his first performance report, expenditures deriving from commitment authorities estimated at $51 million in 1996, he was aware of other relevant factors, the first being quantification of the potential absorption capacity that might be generated over the biennium by additional efficiency efforts subsequent to those currently planned. The freeing up of resources through the termination of mandates made it possible to accommodate new mandates within existing resources, thus responding to the requests by Member States for absorption. A second relevant factor would arise from the requirement to recost, in December 1996, the 1996-1997 budget to reflect currency fluctuations. Significant movements had occurred in certain currencies which, if maintained, would have a positive absorption effect.

5. Consistent with the provisions of General Assembly resolution 50/214, the Secretary-General was committed to the full implementation of all mandated activities, as reflected in the programme budget for 1996-1997 approved by the General Assembly within the appropriation of $2.608 billion.

Progress report on the implementation of the programme budget for the biennium 1996-1997 (A/50/7/Add.16; A/C.5/50/57)

6. Mr. MANCINI (Italy), speaking on behalf of the European Union, noted the Secretary-General's view that an overall reduction of approximately $140 million appeared feasible. The European Union appreciated the involvement of programme managers in achieving cost reductions and conducting efficiency reviews, and trusted that the Secretary-General would take an integrated approach, and that he would report, at the fifty-first session, on the impact of approved savings and other possible measures.

7. The European Union agreed with the Advisory Committee that the impact of the proposed savings on programme delivery was not clear, and was concerned about the programmatic impact of reductions on mandated activities. He noted the Secretary-General's statement that delays and deferrals seemed unavoidable. The European Union attached great importance to full implementation of mandated activities and the fair, equitable and non-selective treatment of all budget sections, in accordance with General Assembly resolution 50/214. In that regard he asked what criteria had been retained by the Secretary-General for the distribution of savings proposals among different budget sections.

8. The European Union also noted the Advisory Committee's comment that if the paramount goal was to achieve cost reductions, a review of programmes must begin so as to avoid a general deterioration in the quality of virtually everything the United Nations did and to allow priority activities to be carried out.

9. The upcoming session of the Committee for Programme and Coordination and the fifty-first session of the General Assembly would provide opportunities to prioritize activities by reviewing mandates and programmes. In the meantime the medium-term plan and its priorities remained applicable.

10. He would welcome an indication from the Secretariat of how the current number of Professional vacancies would be reduced so as to achieve the planned end-1997 target of 331 Professional post vacancies.

11. He noted that cross-cutting reviews were still at an early stage and recalled that resolution 50/214 specifically identified areas in which to achieve savings, including productivity gains through technological innovations, management of documents and publications, simplification of financial administration, control of expenditure on travel and consultants, and review of personnel administration. He trusted that those potentials would be explored without delay.

12. Achieving long-term efficiency gains required timely investment, for example, in telecommunications and information systems, where delays in the implementation of new technologies were less cost-effective in the long run. In

that context he appreciated the efforts to introduce technological innovations in the field of administration.

13. The European Union appreciated the Secretariat's efforts to identify savings, but not all the proposals before the Committee were the prerogative of the Secretary-General. Pending a more detailed report at the fifty-first session, the European Union could concur with the Secretary-General's savings plan, subject to its earlier comments and bearing in mind the Advisory Committee's observations, and would like to see savings achieved as soon as possible. Absorption and funding issues could be addressed further in the context of the first performance report, to be submitted at the end of the year as part of the usual budgetary process as set out in General Assembly resolution 41/213, to which the European Union attached the greatest importance.

14. Mr. ATIYANTO (Indonesia) said that his delegation endorsed the statement by the representative of Costa Rica on behalf of the Group of 77 and China. With respect to the indication that reductions in the programme budget could not be achieved without service reductions and delays and the postponement of programmes, his delegation took the view that any changes in mandated programmes and activities were the prerogative of the General Assembly, and their full implementation, especially with regard to international and regional cooperation for development, should not be affected. He agreed with the Advisory Committee that it was for Member States to decide on the extent to which General Assembly resolutions 50/214 and 50/215 could be implemented. It was regrettable that the Secretary-General had failed to provide a clear picture of how short-term efficiencies could be achieved without affecting programmes and activities.

15. With regard to staffing, efforts must be made to ensure that all Member States, particularly unrepresented and underrepresented countries, were adequately represented. The current national competitive examination should continue to be used. The Secretariat should provide information regarding the number of staff to be separated, together with a breakdown of that figure. A complete analysis of the proposed buy-out programme should also be made available.

16. Mr. AMARI (Tunisia) said that his delegation endorsed the statement by Costa Rica on behalf of the Group of 77 and China, as well as the points made by the representative of Japan. The report before the Committee did not represent a full response to General Assembly resolution 50/214, and further consideration was needed on the basis of a more detailed report at the fifty-first session. Given the Organization's critical role as the only universal body dealing with such questions as peace and security and economic development, budget reductions should not be seen as an end in themselves, but, rather, as a means of streamlining the Organization so that it could meet the growing expectations of the international community as efficiently as possible.

17. Mr. ODAGA-JALOMAYO (Uganda) said that the Secretariat staff must contribute to resolving the financial crisis. They must recognize that Member States were their employers and should be prepared to make sacrifices. In that regard, he asked whether Secretariat officials were still receiving representation allowances and, if so, what the cost was.

The meeting rose at 4 p.m.